

Guideline for Procurement of RE from Project below threshold limit by DISCOMs under the clause 16.3 of Gujarat Renewable Energy Policy-2023 & GERC Tariff Order No 5 & 6 of 2024.

Government of Gujarat has notified “Gujarat Renewable Energy Policy- 2023”- any individual, company, body corporate, association or body of individuals, whether incorporated or not, or artificial juridical person will be eligible for setting up the RE projects under the policy. Under this policy, the solar up to 4 MW capacity and Wind power projects less than 10 MW capacity can be set up for selling of electricity to distribution licensees without competitive bidding process.

Further, The GERC vide notification No. 06 of 2024 dated 31.08.2024 has issued tariff order for procurement of power from solar energy project by Distribution licensees and vide notification No. 05 of 2024 for Wind project which provide that commission has determined generic tariff for procurement of power from project below threshold limit of 5 MW for solar and 10 MW for wind.

In view of above, to fulfil distributed RE RPO and to promote small scale RE projects, GUVNL has prepared guideline for procurement of RE from solar project less than 5 MW and wind project less than 10 MW.

1. Standard Operating Procedure for Distributed RE Bilateral Purchase projects

The process flow chart of application received from developer till commissioning is described as **Annexure-A**.

Registration will be carried out on first come first serve basis. Any eligible applicant shall apply on “Single Window Portal – AkshayUrja Setu” under category “Distributed Renewable Energy Bilateral Purchase” – **DREBP (Feed-in tariff)** - Power sale to DISCOM” with following documents.

1. Document of identification

- Company Registration Certificate - self-certified copy of MOA/ROC/ROF/AOA/COI/ Partnership Deed with authorization etc. (not applicable for the proprietary or individual applicant.)

OR

- Copy of Board Resolution authorizing the signatory for the proposed project (not applicable for the proprietary Individual applicant.)

OR

- Copy of PAN Card (For proprietary or individual applicant)

2. Notarized Undertaking on Rs 300 stamp paper as per Annexure – B.

Non-refundable registration fee of Rs. 10,000/- per MW on pro-rata basis shall be paid by applicant at the time of registration. On successful submission of DREBP application, applicant shall apply to GEDA for provisional registration and subsequently apply for connectivity on “AkshayUrja Setu” Portal.

Being power sale to DISCOM, highest priority in grant of connectivity will be considered for DREBP applications. Eligible DREBP applications will be processed for grant of connectivity based up on the priority of date and time of application for grant of connectivity on “AkshayUrja Setu” portal. The connectivity applications will be processed in first week of ensuing month. DREBP applicants whose connectivity is granted / secured will be issued system generated LOA (Letter of Award) by DISCOM/GUVNL informing to sign PPA of capacity equivalent to application quantum or grant of connectivity whichever is lower along with connectivity agreement within 15 days along with requisite amount of PBG as per prescribed format. Within given period of 15 days, applicant has to sign connectivity agreement with DISCOM before signing of PPA.

The DREBP applicant shall apply for connectivity within one month from date of registration on DREBP portal. Upon failing to avail connectivity within two months of registration on DREBP portal, application shall be stand cancel and registration fees for DREBP portal will be forfeited.

On failing of payment of registration fee of Rs 10,000 per MW within 7 days from date of application, the application shall be stand cancel. On failing to sign PPA within 15 days from issuance of LOA, application, connectivity and LOA will be treated as cancelled without any notice. GETCO will include such cancelled capacity in list of available capacity for RE integration to be published on their portal.

The PPA will be signed based upon affidavit submitted vide Annexure-B. In case at later stage if it is observed that the conditions are not fulfilled, the PPA along with connectivity granted will be cancelled and PBGs will be forfeited.

2. Eligibility

Any individual, company, body corporate, association, or body of individuals, whether incorporated or not, or artificial juridical person, read with para 2.2 of this guideline will be eligible for setting up the RE projects for the power sale to DISCOM purpose under the provisions of Gujarat Renewable Energy policy 2023.

2.1 Types of Projects

- **Solar Projects** of project capacity above 500 KW to less than 5000 KW AC having solar PV modules.

- **Wind projects** of project capacity above 500 KW to less than 10,000 KW.
- Developer will have to lay dedicated evacuation / transmission line up to receiving sub-station of GETCO from solar/wind project.

2.2 Eligibility of the Projects

New projects or projects which are in process of construction and have untied capacity which are not registered under REC.

- I. For any solar/wind projects (of same type i.e. solar/wind), single eligible RE power producer (including group companies, associates, SPV, partnership firm, LLP) can interconnect maximum capacity less than 5 MW solar project and less than 10 MW wind project at single receiving end sub-station of GETCO. However solar projects can be installed on separate smaller land parcels of minimum 500 KW capacity subject to total aggregated project capacity shall not be more than above specified limit and same shall be aggregated through internal electrical lines while dedicated evacuation line from project shall be installed up to GETCO sub-station. Further, it is to clarify that not more than one solar/wind project shall be allowed to interconnect to the same substation of the same company or company having common director or the same promoter company, associates, SPV or any eligible RE power producer including partnership firm, LLP to avoid splitting of project.
- II. It is to clarify that solar and wind project from same land parcel terminating at same receiving end sub-station of GETCO will be eligible as individual solar/wind project subject to maximum capacity as per above (I).
- III. Any solar/wind projects (of same type i.e. solar/wind) of single eligible RE power producer (including group companies, associates, SPV, partnership firm, LLP) having interconnection at two different receiving sub-station of GETCO from same land parcel will be treated as single solar/wind project, as the case may be. Maximum capacities as per above (I) will be applicable for individual solar / wind projects.

2.3 Projects not eligible

- RE solar/wind projects who have already signed PPAs with any entity as on the date of application.
- Solar projects under Net metering arrangement.
- Solar/wind projects not having new plant & machinery.

3. Site & Land:

- 3.1. The RE power producers shall possess or acquire the land on sale or lease basis from private / Government for development of RE projects. In case of lease, the lease period shall cover entire term of the PPA.

4. Grid Integration

- 4.1. The regulations and provisions of The Central Electricity Authority (CEA) (Technical Standard for connectivity to the Grid) & its amendment from time to time and Grid code & its amendment from time to time shall be binding to RE power producer.
- 4.2. Interconnection voltage with grid is as under.

Project	Project Capacity in MW	Minimum Interconnection Voltage
Solar/Wind Project	>0.5 MW to 4.0 MW	11 KV, 3-phase
Solar/Wind Project	>4.0 MW up to < 10 MW	66 KV, 3-phase

- 4.3. RE power producer will be allowed to inject power at interconnection point which shall be determined by DISCOM/GETCO based on technical feasibility. RE power producer shall sign agreement with DISCOM / GETCO for interconnection with grid as per prevailing regulation/Tariff Orders.
- 4.4. The RE power producer shall lay dedicated line at their own cost for evacuation of power up to interconnection point. The operation and maintenance of such dedicated evacuation line shall be carried out at cost of RE power producer. All approvals, permits and clearances required for setting up of the Project (including connectivity and land registration) and those required from Central / State Government and local bodies shall be in the scope of the applicant RE power producer.
- 4.5. RE power producer shall have to pay supervision charges as applicable to DISCOM/GETCO on cost of material and labour charges of such dedicated evacuation / transmission line as per existing procedure of DISCOM/GETCO or as agreed terms.
- 4.6. Common dedicated evacuation / transmission line with pooling station may be set up by adjoining RE power producers as per applicable CEA technical standard and best practices with appropriate metering at their respective end of projects as well as common meter installed at sending end of Pooling station and interconnection point. After commissioning of such dedicated transmission infrastructure, any new RE power producer can be connected with consent of all RE power producers already connected to such common infrastructure at mutually agreed terms and conditions.

- 4.7. If required, network augmentation shall be carried out at cost of RE power producer.

5. Metering and Energy Accounting

- 5.1. For metering, Central Electricity Authority (Installation and Operation of Meters) Regulations, 2014 as amended from time to time shall be applicable to RE power producer.
- 5.2. For all the projects under DREBP, installation of ABT meters with AMR facility as per specification of DISCOM/GETCO are mandatory.
- 5.3. The RE power producer shall bear all costs pertaining to installation, testing, calibration, maintenance and replacement of meters at sending and receiving end of evacuation line.
- 5.4. RE Power Producer shall install RTU as per GERC regulation as amended from time to time.
- 5.5. Energy accounting shall be carried out on monthly basis as certified in SEA by SLDC. For RE projects, the responsibility of meter reading at project end, sending end pooling station and interconnection point will be on respective DISCOM / ALDC / SLDC / GEDA as the case may be as per defined procedure of respective tariff order of GERC.
- 5.6. ABT compliant meter with check meter shall be installed at metering point. In case of main and check meters found defective, the energy account will be carried out on basis of generation meter installed at project end after accounting for losses.
- 5.7. The responsibility of sealing and checking of accuracy of generation meter as per norms at project end and panel meter at receiving end sub-station shall be on DISCOM and will be carried out in presence of GETCO and RE power producer.
- 5.8. RE Power Producer shall not connect any load at the RE project. Penalty will be imposed as per applicable rules and regulations for unauthorized use of energy.

6. Forecasting & Scheduling

- Forecasting & scheduling of solar and wind projects shall be governed by GERC regulations and amendment from time to time.

7. Reactive Power

- The drawl of reactive power shall be charged as per GERC regulation as amendment from time to time.

8. Terms & Conditions for RE Projects under “Distributed RE Bilateral Purchase.”

- 8.1.** For Solar/Wind project connected at 11 KV level, PPA will be signed by DISCOM and for project connected at 66 KV level, PPA will be signed by GUVNL.
- 8.2.** PPA shall be signed within 15 days from date of issuance of LoA subject to signing of agreement for grid interconnection with DISCOM/GUVNL and submission of requisite amount of PBG failing which application, LoA and connectivity shall stand cancel and registration fee will be forfeited.
- 8.3.** Respective DISCOM/GUVNL shall enter into PPA with RE power producer for a period of 25 years from Commercial Operation Date (COD) or the lifespan of the RE project, as defined by GERC/MoP/MNRE, whichever is earlier.
- 8.4.** Solar/Wind Project must be commissioned with new plant & machinery as per the clause no 26.1 of Gujarat Renewable Energy policy 2023.
- 8.5.** The RE power producer shall fully commission the project on or before the Scheduled Commencement of Supply Date (SCSD) which shall not be more than 18 months from date of PPA for solar project and wind project. In this regard, GEDA (State Nodal Agency) will certify successful commissioning of the Project.
- 8.6.** RE power producer shall submit Performance Guarantee for a value @ Rs. 10 Lakh x Rated Installed capacity of RE project (AC MW) to DISCOM/GUVNL before signing of PPA as a guarantee towards timely commissioning of project as mentioned under PPA.
- 8.7.** Performance Bank Guarantee shall be valid up to 7 month from date of SCSD of the project with claim period up to 8 months from SCSD.
- 8.8.** Performance Bank guarantee will be returned after SCSD of project after taking into account any penalties due to delay in commissioning as per the provisions of PPA.
- 8.9.** Delay in commissioning beyond SCSD up to 180 days from SCSD shall lead encashment of Performance Bank Guarantee (PBG) on per-day basis at the rate of Rs 5555 per day per MW and proportionate to the contracted capacity that has not commenced supply of power. In case the commissioning of the project is delayed beyond 180 days from SCSD, due to reasons other than mentioned Article-3.3 (II) of PPA , the RE power producers' Event of Default as per Article No 9.2.1 (a) of PPA shall be considered to have occurred and the contracted capacity shall stand reduced to the project capacity commissioned up to SCSD and bank guarantee proportionate to the balanced capacity not commissioned shall be encashed as liquidated damages. In any case, project commissioned

capacity shall not be less than 0.5 MW. In case of total commissioned capacity less than 0.5 MW, entire PPA shall be stand terminated with recovery of PBG as per PPA.

8.10. The tariff payable to selected RE project shall be firm for term of PPA period.

8.11. For solar project, the tariff shall be as per Hon'ble GERC tariff order No 06 of 2024 read with clause No 3.2 (b) & (e) as below.

RE project	Unit	Levelized Tariff	AD benefit	Net Tariff
Solar project less than 5 MW	Rs/Unit	2.76	0.28	2.48

For wind project, the tariff shall be as per Hon'ble GERC tariff order No 05 of 2024 read with clause No 3.2 (a) & (d) as below.

RE project	Unit	Levelized Tariff	AD benefit	Net Tariff
Wind project less than 10 MW	Rs/Unit	3.17	0.33	2.84

RE power producer will have option to avail AD benefits or not to avail AD benefits.

GUVNL/ DISCOM shall consider AD benefit taken by developer, if they take accelerated depreciation benefit of 40% with / without additional depreciation.

Notarised Undertaking (Annexure-D) on stamp paper of Rs 300 shall be submitted for selection of options along with PPA.

The RE power producer shall furnish income tax return along with CA certificate every year to DISCOM/GUVNL to verify as to whether any Accelerated Depreciation (AD) benefits is availed or not. In case of failure to submit requisite IT returns, it will be construed that AD benefits are availed from that year and treatment as explained below will be enforced.

If RE power producer opted for “desires not to avail AD benefits” resulting in higher tariff and in case at later stage it is observed that RE power producer availed AD benefits, the tariff will be amended as “avail AD benefit” for the PPA from initial date i.e from which payment was made by DISCOM/ GUVNL along with the recovery and shall be applicable for entire term of PPA.

- 8.12.** Early commissioning of the projects are allowed subjected to availability of establishment of connectivity and land use rights for the early commissioned capacity of the project. Tariff for early commissioned project shall be same as PPA tariff.
- 8.13.** Part commissioning of the RE projects in phased manner till the date of SCSD will be permitted subject to minimum capacity 0.5 MW. Tariff for part commissioned project shall be same as PPA tariff.
- 8.14.** There is no restriction in the installed DC capacity of the solar RE project subject to grid constraint. However, the Final AC output in no instance shall be more than the AC Contracted capacity as specified in PPA. It is to clarify that in any 15 min time block during entire term of PPA, the injected power shall not exceed contracted AC capacity. In case supply of power at delivery point exceed the contracted capacity in any time block, such excess energy shall be considered as inadvertent energy and applicable charges will be recovered as per regulation and no payment shall be made for such excess injection of energy.
- 8.15.** Repowering of RE projects
The RE developer may upgrade and repower their plants during the PPA period at their own risk and cost to maintain the performance parameters of RE Project. However, GUVNL / DISCOM will be obliged to buy power only within the range of CUF and contracted capacity specified in the PPA.
- 8.16.** Pooling of the individual RE Projects, common dedicated / evacuation transmission line will be allowed as per provisions mentioned in RE policy-2023.
- 8.17.** CUF of the project shall be declared upfront in the PPA which shall in no case be less than 19% for the solar project and 38% for the Wind projects. Calculation of CUF will be on yearly basis from 1st April of the year to 31st March of next year. RE power producer shall maintain energy supply so as to achieve annual supply corresponding to CUF not less than 90% of the declared value (i.e., Minimum CUF) and not more than 120% of the declared CUF value (i.e., Maximum CUF), during the PPA duration of 25 years. The lower limit will, however, be relaxable by GUVNL/DISCOM to the extent of non-availability of grid for evacuation which is beyond the control of the RE Developer. The declared CUF can be revised once as per PPA terms.
- 8.18.** Excess injection of energy generation beyond maximum stipulated CUF corresponding to the PPA contracted capacity shall be considered as inadvertent flow of energy and no payment shall be made towards such excess energy.

- 8.19.** In case of shortfall of CUF beyond minimum CUF on annual basis specified in PPA, penalty shall be levied at the rate of 1.5 Times of PPA tariff for the shortfall generation corresponding to PPA specified CUF for the contracted capacity of the project. CUF criteria will not be applicable to year of COD and year of termination / expiry of PPA.
- 8.20.** Solar PV modules and wind turbines shall be as approved under ALMM and RLMM respectively. The guideline of Ministry of New and Renewable Energy, Government of India and its amendment from time to time for the same shall be applicable.
- 8.21.** The Energy & Petrochemicals Department / GEDA / GUVNL / DISCOM will not provide any financial support towards the setting of the Solar / Wind power plant.
- 8.22.** Excess capacity of repowered wind project under Gujarat Renewable Energy Policy – 2023 will be eligible for power sale to DISCOM under terms and conditions of this guideline subject to maximum capacity mentioned at clause 2.2 (I).
- 8.23.** Renewable Energy attributes of generation under DREBP will be claimed by DISCOMS for its RPO fulfilment and RE power producer shall not have any claim on Renewable Purchase obligations from the RE Generation by such projects. Carbon credit under any existing/ future mechanism will be as per GERC tariff order.
- 8.24.** Domestic Content Requirement (DCR) is not mandatory.
- 8.25.** After signing of PPA, RE power producer can change project location subject to clause 2.2 of this guideline up to SCSD. The project SCSD shall remain unchanged. SPPA will be executed for change in location. The change in interconnection point shall not be permitted.
- 8.26.** For wind project commissioning, change in project capacity in range of $\pm 5\%$ of the contracted capacity will be permitted subject to limit as specified at 2.2 (I).
- 8.27.** In case of transfer of ownership after commissioning, the conditions as mentioned in Article 2 of (IV) of PPA shall be applicable.
- 8.28.** Enhancement of contracted capacity shall not be allowed.
- 8.29.** At time of registration, GST registration is mandatory for other than individual.