


 **POWER PURCHASE**

 **ADANI CONCLUDES PPA FOR 8 GW OF MANUFACTURING-LINKED SOLAR PROJECTS WITH SECI**

 **RENEWABLES**

 **RERC APPROVES ANNUAL REVISION IN BIOMASS TARIFF**

 **POLICY & REGULATORY**

 **MINISTRY OF EXTERNAL AFFAIRS NOTIFIES RULES FOR LEASING OFFSHORE WIND ENERGY SITES**





## POWER PURCHASE

### >> ADANI CONCLUDES PPA FOR 8 GW OF MANUFACTURING-LINKED SOLAR PROJECTS WITH SECI

- > Adani Green Energy has finalized the signing of a Power Purchase Agreement (PPA) with the Solar Energy Corporation of India (SECI) for the entire 8 GW of solar capacity.
- > The solar capacity was awarded to Adani Green in January 2020 through a manufacturing-linked solar project development tender, which the company claims to be the world's largest solar tender to date.
- > Adani Green won the auction to develop 8 GW and committed to manufacturing 2 GW of solar cell and module capacity under the tender.
- > The recently executed PPA with SECI is for the supply of 1,799 MW of solar power for 25 years, adding to the 6,201 MW PPAs signed in 2021 and 2022.
- > Adani Green's step-down subsidiary, Mundra Solar Energy, received the commercial operational date certificate from SECI for a 2 GW solar cells and modules manufacturing facility in Gujarat in August.
- > The Solar Energy Corporation of India (SECI) floated the tender in June 2019 for a total of 12 GW of solar power supply and 3 GW of solar cell and module manufacturing capacity.



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## POWER PURCHASE

- > Azure Power was allotted 4 GW of solar project development and 1 GW of manufacturing capacity under the same tender, while the remaining capacity was awarded to Adani Green.
- > The solar projects auctioned in 2020 faced challenges with high tariffs and capacity, leading to SECI's decision to pool tariffs with subsequent auctions to attract distribution companies (DISCOMs) for power sale agreements.



## RENEWABLES

### >> RERC APPROVES ANNUAL REVISION IN BIOMASS TARIFF

- > Rajasthan Electricity Regulatory Commission (RERC) has approved annual changes in tariff for biomass projects based on variable charges such as fuel costs.
- > The RERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) (Second Amendment) Regulations, 2023, specify that the tariff determined for FY 2023-24 will be applicable for FY 2024-25 and FY 2025-26.





## RENEWABLES

- > Stakeholders had advocated for a **5%** increase in tariffs, and the **RERC** included a clause for annual adjustments in variable charges, either increasing or decreasing, based on the previous year's variable charges.
- > For projects with expired PPAs, a tariff equivalent to **85%** of the last year's PPA duration tariff will apply, with annual adjustments in variable charges.
- > The regulations apply to renewable captive power plants, plants supplying power under open access, and plants installed behind the meter, covering the period from **April 1, 2020, to March 31, 2026.**
- > Concerns were raised about the control period for tariff regulations, particularly for wind power projects, and after considering suggestions, the **RERC** maintained the control period from **April 1, 2020, to March 31, 2026..**
- > Specific concerns related to biomass projects were addressed, exempting already commissioned projects or those with approved PPAs before the new regulations' notification. The regulations also allowed for fuel price escalations.
- > Stakeholders had proposed a **15%** allowance for the use of fossil fuel or solar power in biomass projects, and the **RERC** approved this for existing biomass projects. The provision for solar power was extended until **March 31, 2026.**
- > The regulations on banking energy were clarified to apply until **March 31, 2030**, providing regulatory certainty, and after that date, banking provisions would be governed by the regulations in force at that time.



 **POLICY &  
REGULATORY**

**>> MINISTRY OF EXTERNAL AFFAIRS NOTIFIES RULES FOR LEASING  
OFFSHORE WIND ENERGY SITES**

- > Rajasthan Offshore wind energy projects in India will operate under the Offshore Wind Energy Lease Rules, 2023, issued by the Ministry of External Affairs.
- > The initial lease period for conducting resource measurements and surveys is three years, extendable by two additional years, with all clearances revoked after five years.
- > Lessees must submit study or survey data to the National Institute of Wind Energy, and the lease can be extended for 35 years for construction and operation of offshore wind energy projects.
- > The leased area can range from 25 to 500 square kilometers, depending on the project size.
- > Applicants must deposit ₹100,000 per MW for offshore wind energy projects and ₹50,000 per MW for offshore wind transmission projects to the central government.



- > An annual lease fee of ₹100,000 per square kilometer or part thereof covered by the lease must be paid by the lessee.
- > Lessees can give a 30-day notice to the central government to relinquish part or all of the leased area, with applicable fees paid for the next five years or until the lease ends.
- > The lessee must install notices or markers to indicate the boundaries of the leased area within three months of the lease's effect.



## POLICY & REGULATORY

- > Lessees have the right to utilize waterways for offshore wind or transmission activities and can enforce restrictions to ensure project safety and efficiency.



- > Certain activities, such as fishing for livelihood, may be allowed within designated lease areas, provided they do not disrupt the wind farm's normal functioning.
- > Lessees cannot explore or extract minerals, materials, or resources from the seabed, subsoil, or adjacent waters, limiting their rights to activities related to offshore wind power generation.
- > Subleasing any part of the lease is not allowed without approval from the central government.
- > Failure to make payments on time will result in a monthly penalty of 5%, and overdue payments for more than three months may lead to lease cancellation.
- > Lessees are obligated to decommission the project within two years of lease termination, dismantling all installations and responsibly disposing of removed materials.
- > The lease may be cancelled if the lessee violates lease terms, does not use the area for the intended purpose, causes significant environmental harm, or fails to provide necessary project-related documents.