



# POWER SECTOR

NEWSLETTER | WEEK 45 | NOV 24



## POWER PURCHASE

### » CEA WITHDRAWS INTRADAY ELECTRICITY CONTRACTS TO STREAMLINE ENERGY MARKET OPERATIONS

- > The Central Electricity Authority (CEA) has officially withdrawn intraday electricity trading contracts, signaling a shift in market strategies.
- > This move emphasizes a transition toward structured trading options like day-ahead and term-ahead markets, reducing reliance on real-time adjustments.
- > The withdrawal aligns with efforts by the Central Electricity Regulatory Commission (CERC) to simplify energy trading frameworks and improve predictability in market operations.
- > The decision is expected to enhance the integration of renewable energy sources, as their variability necessitates precise forecasting and scheduling.
- > Market participants, including distribution companies (DISCOMs) and large consumers, will need to adapt their procurement strategies to longer-term contracts, potentially affecting cost management and energy planning.



## POWER PURCHASE

- ⚡ CEA WITHDRAWS INTRADAY ELECTRICITY CONTRACTS TO STREAMLINE ENERGY MARKET OPERATIONS
- ⚡ SECI BANS RELIANCE POWER AND ITS SUBSIDIARY FROM TENDERS FOR THREE YEARS OVER DOCUMENT IRREGULARITIES



## RENEWABLES

- ⚡ GUJARAT WAIVES DOMESTIC CONTENT REQUIREMENT (DCR) FOR SOLAR PROJECTS OVER 5 MW TO BOOST COMPETITIVENESS ALSO ALLOWS PROCUREMENT WITHOUT COMPETITIVE BIDDING
- ⚡ SJVN'S 1.5 GW HYBRID POWER AUCTION: JUNIPER, AVAADA, AND DATTA AMONG KEY WINNERS WITH COMPETITIVE TARIFFS
- ⚡ COMMERCE MINISTRY RECOMMENDS ANTI-DUMPING DUTY ON SOLAR GLASS IMPORTS FROM CHINA AND VIETNAM



## Policy and Regulatory

- ⚡ CERC APPROVES ₹2.53/KWH TARIFF FOR 1,170 MW WIND-SOLAR HYBRID PROJECTS UNDER SECI



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- > By phasing out intraday contracts, the CEA aims to strengthen grid reliability and reduce short-term fluctuations in energy demand and supply.
  - > The decision supports broader national energy objectives, including promoting clean energy, improving grid stability, and ensuring consistent electricity availability.
  - > Stakeholders are expected to realign their operational models to comply with the new trading dynamics while leveraging alternate market mechanisms like Green Term-Ahead Market (GTAM) contracts.
- >> SECI BANS RELIANCE POWER AND ITS SUBSIDIARY FROM TENDERS FOR THREE YEARS OVER DOCUMENT IRREGULARITIES**
- > SECI has barred Reliance Power Limited and its subsidiary, Reliance NU BESS Limited, from participating in tenders for three years due to irregularities in a document submitted during a BESS project bid.
  - > SECI's investigation concluded that the forged document made Reliance NU BESS non-compliant with tender conditions.
  - > The issue involved a forged endorsement on a bank guarantee, a key document required for the Earnest Money Deposit (EMD) in the bidding process.
  - > SECI linked the actions of the subsidiary to its parent company, Reliance Power, holding it accountable for strategic and commercial decisions.
  - > The bid was for a 1000 MW/2000 MWh standalone Battery Energy Storage System (BESS) project under SECI's June 2024 Request for Selection.
  - > SECI discovered the forgery during the e-Reverse Auction and annulled the entire tendering process.





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- > Effective November 6, 2024, both companies are barred from participating in SECI tenders for three years.
- > The company claimed it was a victim of fraud and filed a criminal complaint on October 16, 2024, against the alleged forger with the Economic Offence Wing of Delhi Police.
- > Reliance Power plans to challenge SECI's decision through legal measures to protect its reputation and shareholders' interests.
- > The company emphasized its commitment to due legal process, seeking to safeguard the interests of its 40 lakh shareholders.



## RENEWABLES

- >> **GUJARAT WAIVES DOMESTIC CONTENT REQUIREMENT (DCR) FOR SOLAR PROJECTS OVER 5 MW TO BOOST COMPETITIVENESS ALSO ALLOWS PROCUREMENT WITHOUT COMPETITIVE BIDDING**
  - > Gujarat has implemented a policy enabling Gujarat Urja Vikas Nigam Ltd. (GUVNL) and Discoms to procure renewable energy without competitive bidding from small-scale solar projects (up to 5 MW) and wind projects (below 10 MW).
  - > Gujarat has also removed the Domestic Content Requirement (DCR) clause for solar projects exceeding 5 MW capacity, aligning with national and international standards to encourage broader participation in solar tenders and projects.





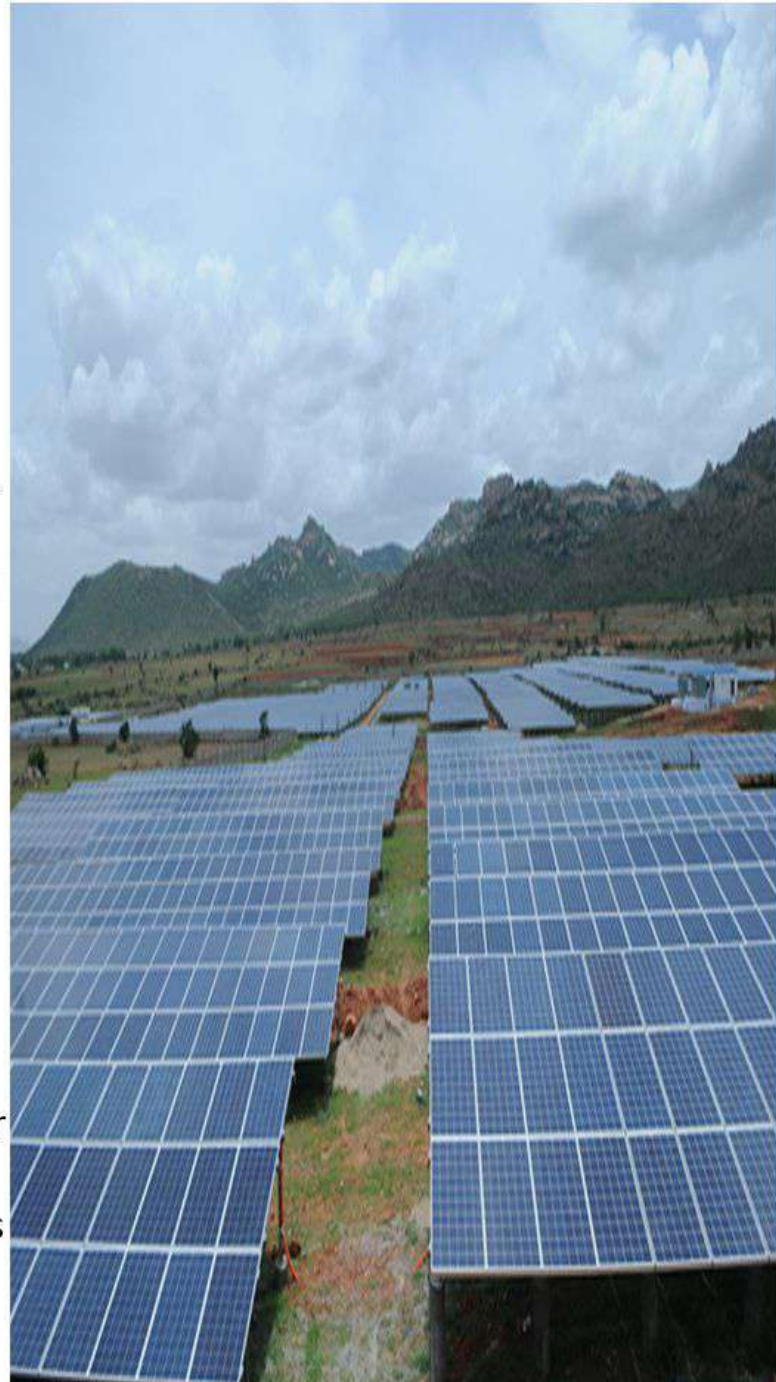
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## RENEWABLES

- > The decision is expected to boost competitiveness by allowing the use of imported solar modules, potentially reducing project costs and accelerating development timelines.
- > This move also helps address concerns related to compliance with World Trade Organization (WTO) norms, which previously flagged the DCR clause as restrictive in international trade disputes.
- > While the waiver may stimulate project implementation, it raises concerns about reduced support for domestic solar module manufacturers, which could impact India's 'Make in India' initiative.
- > The removal of DCR for projects above 5 MW signals Gujarat's focus on scaling renewable energy generation while attracting investments from global solar developers.
- > By opening the market to global players and imported components, the policy could lead to lower tariffs for solar power in upcoming competitive bids.
- > This step aligns with Gujarat's and India's larger renewable energy targets, particularly the ambitious solar capacity additions outlined under the National Solar Mission.





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## RENEWABLES

### >> SJVN's 1.5 GW HYBRID POWER AUCTION: JUNIPER, AVAADA, AND DATTA AMONG KEY WINNERS WITH COMPETITIVE TARIFFS

- > SJVN Green Energy Ltd (SGEL) conducted a tender for 1.5 GW ISTS-connected wind-solar hybrid power projects to boost renewable energy deployment in India.
- > Key winners include Juniper Green Energy (150 MW at ₹3.43/kWh), Datta Power Infra (50 MW at ₹3.47/kWh), and Avaada Energy (530 MW at ₹3.49/kWh). Other participants included Sembcorp, O2 Power, and EverGreen Power.
- > The auction featured competitive tariffs ranging from ₹3.41 to ₹3.49 per kWh, demonstrating cost-effective renewable energy pricing.
- > Each project required a minimum capacity of 50 MW, with at least 33% of the contracted capacity from either wind or solar resources.
- > SJVN will sign a 25-year PPA with the successful bidders to ensure long-term energy procurement.
- > Only certified wind turbine models and MNRE-approved solar modules (List-I) are eligible for deployment, ensuring quality and compliance with national standards.
- > These projects aim to use established and operational technologies to minimize risks and ensure timely commissioning.





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## RENEWABLES

### COMMERCE MINISTRY RECOMMENDS ANTI-DUMPING DUTY ON SOLAR GLASS IMPORTS FROM CHINA AND VIETNAM

- > The commerce ministry has recommended imposing an anti-dumping duty of up to USD 677 per tonne on certain solar glass imports from China and Vietnam to protect domestic producers.
- > The duty targets Textured Toughened (Tempered) Coated and Uncoated Glass, found to be dumped in India at prices below their normal value, causing injury to the domestic industry.
- > The Directorate General of Trade Remedies (DGTR) concluded that these imports have materially harmed domestic manufacturers, warranting provisional anti-dumping duties.
- > The domestic industry has made significant investments in manufacturing the glass to boost India's self-reliance in this sector.
- > The impact of the proposed duties on downstream industries is minimal, estimated at only 2.52%, according to the DGTR.
- > The recommended anti-dumping duty ranges between USD 565 and USD 677 per tonne, depending on the specific imports.
- > While the DGTR has submitted its findings, the finance ministry will take the final decision on imposing these duties.
- > Anti-dumping duties aim to ensure fair trade practices and level the playing field for domestic producers, in line with WTO regulations, and are already in place for several other products from countries like China.





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## POLICY AND REGULATORY

### » CERC APPROVES ₹2.53/KWH TARIFF FOR 1,170 MW WIND-SOLAR HYBRID PROJECTS UNDER SECI

- > Central Electricity Regulatory Commission (CERC) has approved a tariff of ₹2.53/kWh for 1,170 MW of wind-solar hybrid power projects, ensuring a competitive price for clean energy generation under SECI's Tranche-V initiative.
- > The Commission has also sanctioned a trading margin of ₹0.07/kWh for SECI, allowing it to manage power procurement and sales efficiently.
- > The approved capacity includes contributions from TP Saurya (600 MW), AMP Energy Green (120 MW), and NTPC Renewable Energy (450 MW), reflecting active participation from leading renewable energy developers.
- > The tariff determination resulted from an e-reverse auction and competitive bidding process, adhering to guidelines issued by the Ministry of New and Renewable Energy (MNRE), ensuring fair pricing.
- > The wind-solar hybrid projects are expected to be commissioned within 24 months of signing power purchase agreements (PPAs), accelerating renewable energy deployment.



- > The Commission addressed potential "Change in Law" claims, such as increased customs duties, directing developers to file separate petitions for cost adjustments, thereby protecting financial stability of projects.
- > These hybrid projects, integrated with the interstate transmission system (ISTS), aim to enhance grid reliability and support India's renewable energy targets.
- > SECI acts as the nodal agency, overseeing bidding, signing agreements, and facilitating energy trading between developers and distribution licensees.