

7/2

SOUTHERN POWER DISTRIBUTION COMPANY OF AP LTD

From
Chief General Manager (P&MM, IPC)
APSPDCL, Kesavayanagunta,
Besides Srinivasa Kalyanamandapam,
Tiruchanur Road, Tirupathi - 517 501.

To
The Secretary,
APERC, 4th Floor,
Singareni Bhavan,
Red Hills, Hyderabad.

Lr.No.CGM(P,MM&IPC)/APSPDCL/F. /D.No. 681/18, Dt: 02.02.2018

Sir,

Sub: Procurement of solar power by APDISCOMs (i) from the NTPC from the proposed 750 MW (Phase-II) solar park at NP kunta, Anantapur Dist and (ii) from the SECI from the proposed 750 MW solar park at Kadapa Ultra Mega Solar Park - Approval - Requested- Regarding.

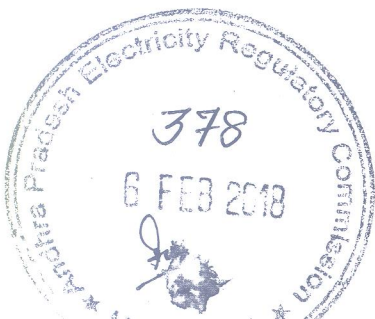
Ref: Lr.No.APERC/Secy/F.No.S-87/2017, Dated 19.02.2017

This is to submit that in order to promote Solar Power Projects in a big way and with a view to promote green energy in the state of Andhra Pradesh, Govt of AP vide G.O Ms. No.8, dated: 12.02.2015 have issued a new Solar policy - 2015 applicable for a period of 5 years wherein GoAP targeted a minimum total solar power capacity addition of 5000 MW by FY 2019-2020.

To achieve above target, GoAP directed APDISCOMs for procurement of 1000 MW Solar Power through competitive bidding process and APDISCOMs entered PPAs for a capacity of 619 MW with consent of Hon'ble APERC. Out of 619 MW, 512 MW has been commissioned.

GoAP have also targeted to set up 4000 MW solar capacity through Solar Parks in Kurnool, Kadapa and Ananthapuramu districts with the support of Gol.

In this regard MNRE has accorded approval to GoAP on 15.01.2016 for utilization of total capacity of 4000 MW solar power generated from the following four solar parks by the state of Andhra Pradesh. A copy of the same is enclosed as Annexure-1.



Handwritten notes and signatures at the bottom of the page. On the left, there is a signature and the text 'DD/PERP'. In the center, there is a signature and the text 'May 12/18'. On the right, there is a signature and the text '7/2/2018'.

- a. **Ananthapuram-I Ultra Mega Solar Park (1500 MW):**
(1000 MW Solar power project is to be set up at NP Kunta, Ananthapur District by NTPC under E.P.C and 500MW by SECI under V.G.F scheme at Galivedu, Kadapa district.)
- b. **Kurnool Ultra Mega Solar Park (1000 MW)**
(1000 MW Solar project is to be set up at Kurnool District by NTPC (State specific bundled scheme)
- c. **Kadapa Ultra Mega Solar Park (1000 MW)**
(750 MW Solar project is to be set up at Kadapa District by SECI under E.P.C and another 250MW by NTPC (State specific bundled scheme))
- d. **Ananthapuram- II Ultra Mega Solar Park(500 MW)**
(500MW solar project is to be set up at Ananthapur District by APGENCO under E.P.C.)

As a part of this, APDISCOMs were entered the PSA/PPAs with NTPC/SECI/APGENCO for purchase of solar power generated from the above solar parks. The details are as submitted below:

- APDISCOMs had entered PPA with M/s NTPC for purchase of solar power from the proposed 250 MW (Phase-1) solar park at NP kunta, Anantapur Dist on 24.04.2015 at the tariff of Rs.5.96 per unit and the same was approved by Hon'ble APERC. The 250 MW was commissioned on 29.07.2016 and supplying power to APDISCOMs.
- APEPDCL had also entered the PSA with NTPC on 08.01.2016 for purchase of 1000 MW solar power from the Gani Kurnool solar park. 1000 MW was commissioned and supplying power to APDISCOMs. APERC yet to issue the consent. Handwritten: on
- APDISCOMs were signed the PSA with M/s SECI on 27.10.2016 for purchase of 500 MW solar power from the Ananthapuramu-I Ultra Mega solar park to be set up at Galiveedu Mandal, Kadapa district at the tariff of Rs.4.50 per unit

under VGF Scheme and is expected to be commissioned by March 2018..
APERC yet to issue the consent.

- Further APDISCOMs were signed the PPA with APGENCO on 01.07.2017 for purchase of 400 MW solar power generated from the Ananthapuram- II Ultra Mega Solar Park proposed at Talaricheruvu (V), near Tadipatri, Anantapuramu District, AP at the tariff of Rs. 3.57/unit and is expected to be commissioned by FY 2018-19. APERC yet to issue the consent.
- Recently, APDISCOMs entered PSA with NTPC on 11.12.2017 for purchase of 250 MW solar power from the Kadapa Ultra Mega solar park to be set up at Mylavaram, Kadapa district at the tariff of Rs. 3.15/unit and is expected to be commissioned by FY 2019-2020.

Out of targeted capacity of 4000 MW, 1250 MW commissioned so far .The present installed capacity of Solar Power Projects in the state of Andhra Pradesh as on 31.12.2017 is 2144.88 MW.

Further it is to submit that, the grid connected solar power/Solar parks tariffs falling at regular intervals due to reduction in cost of panels, inverters and adoption of new technology etc. The present solar tariffs are in the range of Rs. 2.44/unit to Rs.3/unit.

In light of the above, the GoAP vide letters Dt: 05.12.2017 has given permission to NTPC & SECI to initiate the tendering process for balance 750 MW each at Ananthapur and Kadapa districts respectively and to proceed with the implementation of aforesaid solar PV projects in case tariff discovered is less than the ceiling tariff of Rs 3.00/KwH (including trading Margin). The copies of the same are enclosed as Annexure-2.

APDISCOMs shall sign the PSAs with NTPC and SECI after finalization of the tender by NTPC & SECI. The SECI & NTPC will follow the MoP notified guidelines issued in August & December 2017 for tariff based competitive bidding process for procurement of solar power from grid connected solar.

As per the directions issued by Hon'ble APERC in the reference cited, prior permission is required to APDISCOMs for procurement of solar power and entering into PSA/PPA with the solar power developers.

In light of the above submissions, the Hon'ble Commission is requested to grant the approval for procurement of solar power by APDISCOMs (i) from the NTPC from the proposed 750 MW (Phase-II) solar park at NP kunta, Anantapur Dist and (ii) from the SECI from the proposed 750 MW solar park at Kadapa Ultra Mega Solar Park.

Encl: As above

Yours Faithfully,



Chief General Manager (P&MM, IPC)
APSPDCL::Tirupati

सर्वोच्च न्यायालय

सं. 15/2015/NSM
नवीकरणीय ऊर्जा विभाग

DEPARTMENT OF NEW AND RENEWABLE ENERGY

नवीकरणीय ऊर्जा विभाग, लोदी रोड, नई दिल्ली-110003
COMPLEX, LODI ROAD, NEW DELHI-110003

NSM/15/2015-15/NSM

15 दिनांक 15 February 2016

Dated

Shri Ajay Jain
Secretary to Government of Andhra Pradesh
Energy Department
Secretariat, Hyderabad-500 022
Fax: 040-23307766

Subject: In-principle approval for setting up of 500 MW Ananthapuramu II Solar Park at
Talaricheruvu Village, Tadipatri Mandal, Ananthapuramu District

This is with reference to your letter no. Energy/APSPCL/Solar parks/D No 209 dated
20th December 2015 regarding setting up of 500 MW Ananthapuramu II Solar Park at
Talaricheruvu Village, Tadipatri Mandal, Ananthapuramu District of Andhra Pradesh.

In this connection, the undersigned is directed to convey the in-principle approval of the
Competent Authority for setting up one solar park of capacity 500 MW at Talaricheruvu
Village, Tadipatri Mandal, Ananthapuramu District of Andhra Pradesh by Andhra Pradesh
Solar Power Corporation (P) Limited (APSPCL).

Approval of Competent Authority is also conveyed for preparation of the Detail Project
Report (DPR) by the SPPD. The DPR is to be submitted to this Ministry within two months
from the date of in-principle approval accorded.

With this approval, four Solar Parks have been approved to the State of Andhra Pradesh:

- Ananthapuramu solar park of 1500 MW (1000 MW at N P Kurja, Ananthapuramu
district and 500 MW at Galiveedu, Kadapa district);
- Kurnool solar park (1000 MW);
- Kadapa solar park (1000 MW) and
- Ananthapuramu II Solar Park (500 MW)

Yours faithfully

(Signature)

(Dilip Nigama)

Director (NSM)

Tel/Fax: 2436 3546

Copy to

- Shri G. Aadisesu, Managing Director, Andhra Pradesh Solar Power Corporation (P)
Limited, Opposite Green Park Hotel, Neeraj Public School Lane, 6-3-856/A/3, Sadat
Manil Compound, Ammapet Hyderabad -500036 (A.P.) (Fax: 040-23429396)
- Dr. Ashvini Kumar, Managing Director, Solar Energy Corporation of India, 1st Floor,
D-3 A Wing, Religare Building District Centre, Saket, New Delhi - 110017

AJAY JAIN, I.A.S.,
Principal Secretary to Government



Energy, Infrastructure &
Investment and CRDA Departments
Government of Andhra Pradesh
Room No. 147, Block No. 2,
Secretariat Buildings, Velagapudi - 522 503,
Guntur Dist. A.P.
Email : ajayjainias@gmail.com
secyenergyap@gmail.com

Date: 05.12.2017

To
Shri. Jatindra Nath Swain, IAS,
Managing Director,
Solar Energy Corporation of India,
1st Floor, D-3, 'A' Wing, Religare Building,
District Centre, Saket, New Delhi - 110017.

Dear Sir,

Sub: APSPCL - Development of 750 MW Solar Park 750 MW at Kadapa Ultra Mega
Solar Park through international competitive bidding (ICB) by SECI - Reg.

During the meeting held on 22.11.2017 with the officials of SECI, it was decided to establish balance 750 MW at Kadapa Ultra Mega Solar Park through international competitive bidding (ICB) by SECI. SECI has promised to call for bids with the ceiling tariff of Rs. 03.00 per unit.

In this connection, it is to be informed that the proposed levelled tariff shall be with ceiling of Rs.3.00/ kWh (Including trading margin) for said capacity addition of 750 MW. Further to inform that SECI shall proceed with the implementation of this Solar PV Project, in case tariff discovered is less than the above ceiling tariff of Rs.3.00 kWh (including trading margin).

M/s. SECI is requested to proceed further with the signing of PSA with APPCC and also requested to share draft PPA with APPCC before placing the same in tender document. Further requested that the capacity of each block may be considered as 250 MW i.e., 3 X 250 MW as each block will be dedicated to one pooling station.

With warm regards

Yours Sincerely,

Ajay Jain
5/12/2017
(AJAY JAIN)

Copy to:

1. The General Manager (Solar)/ SECI
2. The Joint Managing Director/Commercial/APTRANSCO.
3. The Managing Director/APSPCL.



Date: 05.12.2017

To
Shri Gurdeep Singh
The Chairman & Managing Director, NTPC,
NTPC Bhavan, Scope Complex, 7,
Institutional Area, Lodhi Road, New Delhi-110003.

Dear sir,

Sub: APSPCL –Development of 750 MW Solar Power Project at Ananthapuramu
Ultra Mega Solar Park in Andhra Pradesh by NTPC – Reg.

Ref: Letter from NTPC, Dtd.29.11.2017:

This has reference to the letter cited under ref, wherein NTPC has requested to convey consent to proceed with the development of balance capacity of 750 MW in Ananthapuramu Ultra Mega Solar park by NTPC through tariff based competitive bidding under section 63 of Electricity Act 2003. NTPC also proposed a levellised tariff with a ceiling of Rs. 3.00/ kWh (excluding trading margin) for said capacity addition of 750 MW.

In this connection, it is to be confirmed that the proposed levellised tariff shall be with ceiling of Rs.3.00/ kWh (Including trading margin) for said capacity addition of 750 MW. Further to confirm that NTPC shall proceed with the implementation of this Solar PV Project, in case tariff discovered is less than the above ceiling tariff of Rs.3.00 kWh (including trading margin).

M/s. NTPC is requested to proceed further with the signing of PSA with APPCC and also requested to share draft PPA with APPCC before placing the same in tender document. Further requested that NTPC may consider each block as a capacity of 250 MW i.e., 3 X 250 MW instead of 6 X 125 MW as proposed earlier as each block will be dedicated to one pooling station.

with warm regards,

Yours sincerely,

AJ
5/12/2017
(AJAY JAIN)

Copy to:

1. Shri Pramod Kumar, ED/Commercial/NTPC.
2. Shri Surinder Raina, General Manager/REDG, NTPC.
3. The Joint Managing Director/Commercial/APTRANSCO.
4. The Managing Director/APSPCL.



ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

From
Secretary,
11-4-660, 4th Floor,
Singareni Bhavan,
Red Hills, Lakdikapool,
Hyderabad - 500 004.

To
The Chief General Manager,
P&MM &IPC, APSPDCL,
19-13-65/A, Raghavendra Nagar,
Kesavayana Gunta, Tiruchanoor Road,
Tirupati-517 501.

Lr.No. APERC/JD(PPP)/DD(PPP)/F.No.E-1058/D.No. 611 /2018,Dt.18-07-2018.

Sir,

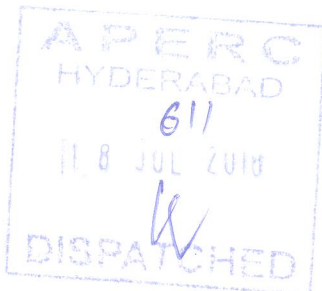
Sub:- APERC - Procurement of solar power by APDISCOMs (i) from the NTPC from the proposed 750 MW (Phase-II) solar park at NP Kunta, Anantapur Dist. and (ii) from the SECI from the proposed 750 MW solar park at Kadapa Ultra Mega Solar Park - Reg.

Ref:- 1) Lr.No. CGM(P,MM&IPC)/APSPDCL/F./D.No.681/18, dt. 02.02.18
2) Lr.No. CGM(P,MM&IPC)/APSPDCL/F.NTPC PSA/D.No.79/18, dt. 11.05.18.
3) Lr.No. CGM(P,MM&IPC)/APSPDCL/F.NTPC PSA/D.No.123/18, dt. 07.06.18.

With reference to your letters cited above, I am directed to seek the following information / clarifications before your request(s) on the subject can be considered by the Commission.

- The status of allotment of bundled power from NTPC Ramagundam Thermal Power Station envisaged for 1000 MW Anantapuram Solar Park, and the effective price as submitted by NTPC limited and as observed by the Commission in its order dated 4.06.2016 O.P.No.26 of 2015.
- Break up for the balance 2000 MW (out of the 3250 MW projected capacity of Solar Parks up to FY2023-24 as submitted vide the Resource plans and State Electricity Plan) along with the time schedules of the projects besides also informing the progress of each project.
- The copies of PPAs entered between NTPC and Solar Power Developers (SPD) which were stated to be attached as 'Schedule-A' as per para F, in page 3 of the PSAs, are not found attached for all the four nos. of PSAs submitted.

Contd..2



- d) The location of the project is not mentioned in Schedule-B of the PSAs.
- e) Justification for your request against the Commission's direction / view in the Retail Supply Tariff Order for FY2018-19 that the Distribution Companies may come up with the detailed views expeditiously to mould the power purchase to achieve the desired effect and that they shall avoid entering into any Power Purchase Agreement which may burden them with un-warranted power.

Yours faithfully,


18.7.2018

Secretary (i/c)

SOUTHERN POWER DISTRIBUTION COMPANY OF AP LTD

From
Chief General Manager (P&MM, IPC),
APSPDCL, Kesavayanagunta,
Besides Srinivasa Kalyanamantapam,
Tiruchanur Road, Tirupati - 517 501.

To
The Secretary,
APERC, 4th Floor,
Singareni Bhavan,
Red Hills, Hyderabad.

Lr. No. CGM (P,MM & IPC)/APSPDCL/F.SECI PSA /D.No. 317/18,Dt: 2.11.2018.

Sir,

Sub: APSPDCL - Solar Bidding - Approval of Power Sale Agreements signed by APDISCOMs with M/s SECI on 27.07.2018 and Regulation of price under Section 86 1(b) of EA 2003 for purchase of solar power generated from the proposed 750 MW Kadapa Ultra Mega Solar Park under the Phase-II, Batch-IV scheme of the Jawaharlal Nehru National Solar Mission (JNNSM) of Gol - Requested - Regarding.

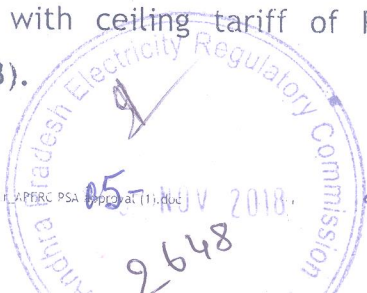
Ref: 1. Prl.Secy, GoAP/Energy, I&I, letter dated 05.12.2017
2. Lr.No.APERC/Secy/F.No.S-87/2017, Dated 19.12.2017
3. Lr. No. CGM (P,MM & IPC)/APSPDCL/F. /D.No.681/18,Dt:02.02.2018

* * *

This is to submit that, earlier during the meeting held by Hon'ble CM on the power sector performance on 21.11.2017 at Secretariat, Velagapudi with the officials of APTRANSCO, APGENCO, APDISCOMs and NREDCAP, it was decided that SECI/NTPC/NVVNL may call for bidding for 750 MW plant each at Kadapa & Ananthapur on behalf of APDISCOMs. (A copy of the same is enclosed as Annexure-1).

Further the GoAP vide letter Dt: 05.12.2017 has given permission to SECI to initiate the tendering process for 750 MW at Kadapa Ultra Mega Solar Park and to proceed with the implementation of aforesaid solar PV project in case tariff discovered is less than the ceiling tariff of Rs 3.00/KWH (including trading Margin). APDISCOMs shall sign the PSA with SECI after finalization of the tender by SECI. (A copy of the same is enclosed as Annexure-2).

In compliance of APERC directions issued vide reference(2) cited, APSPDCL vide letter dt: 02.02.2018 requested the Hon'ble Commission to grant the approval for procurement of 750 MW solar power from SECI from the proposed Kadapa Ultra Mega Solar Park with ceiling tariff of Rs.3/unit. (A copy of the same is enclosed as Annexure-3).



Handwritten signatures and dates: 20/11/18, 8/11/18, 20/11/18, 8/11/18.

SECI vide letter dated 24.07.2018 informed that, the tariff realised after L- reverse auction conducted for setting up of 750 MW Grid Connected Solar PV projects in Kadapa Solar Park, Andhra Pradesh is Rs.2.70/unit for 500MW and Rs.2.71/unit for 250MW and requested the APDISCOMs for signing of the PSA .

Further during the meeting held by Principal Secretary, Energy, Govt. of AP on the review of the progress solar parks on 24.07.2018 at Secretariat, Velagapudi , it was decided to sign the PSA by APDISCOMS and SECI by 27th July, 2018 positively. (A copy of the same is enclosed as Annexure-4).

As per the directions of GoAP, APDISCOMs have signed the PSA with M/s SECI on 27.07.2018 for purchase of solar power generated from the proposed 750 MW Kadapa Ultra Mega Solar Park under the Phase-II, Batch-IV scheme of the Jawaharlal Nehru National Solar Mission (JNNSM) of GoI, at a tariff of Rs 2.70 /Kwh (for 500 MW) & Rs 2.71 /Kwh (for 250 MW) in addition to a trading margin of 7 paise/kWh.

Further the following are submitted for kind perusal:

- i. This 750MW solar project was included in the Resource plan for 4th & 5th control periods (FY 2019-20 to FY 2028-29) submitted to Hon'ble APERC on 31.07.2018.
- ii. SECI has conducted the tariff based competitive bidding as per the Standard Bidding Guidelines issued by MoP.
- iii. The solar tariffs of Rs 2.70 /Kwh (for 500 MW) & Rs 2.71 /Kwh (for 250 MW) discovered through competitive bidding by SECI for 750 MW Kadapa Ultra Mega Solar Park are the lowest tariffs than the earlier PPA/PSAs entered by APDISCOMs with Solar power Developers (NTPC, SECI , APGENCO & others) so far.
- iv. As per the PPA, the timelines for execution of the solar projects is 21 months from the date of the signing of PPA and the project is expected to be commissioned by FY 2020-2021.

The copies of PSAs signed by APDISCOMs are herewith submitted to the Hon'ble APERC (Annexure-5).

In light of the above submissions, the Hon'ble Commission is requested to grant approval for the long term Power Sale Agreements (PSAs) signed by APDISCOMs with M/s SECI on 27.07.2018 and Regulation of price under **Section 86 1(b) of EA 2003** for purchase of solar power generated from the proposed 750 MW Kadapa Ultra Mega Solar Park under the Phase-II, Batch-IV scheme of the Jawaharlal Nehru National Solar Mission (JNNSM) of Gol, at a tariff of Rs 2.70 /Kwh (for 500 MW) & Rs 2.71 /Kwh (for 250 MW) In addition to a trading margin of 7 paise/kWh.

Yours faithfully,



Chief General Manager (P&MM, IPC)

Encl: As above.