

KERALA SOLAR POWER PROJECT (50 MW) :

- As part of the National Solar Mission of Govt of India for harnessing Clean Power, THDCIL has committed development of 250 MW Solar PV Projects to MNRE.
- Pursuant to above THDCIL & SECI have signed an MOU on 13.02.2015 for setting up 250 MW Solar PV Projects in India.
- A Tripartite agreement amongst SECI, Kerala State Electricity Board (KSEB) and THDCIL was signed on 31.03.2015 for development of 50 MW Solar project in the 200 MW Solar Park at Distt. Kasaragod, Kerala.
- Possession of land for setting up of 50 MW Solar PV Project in Paivalike village of Kasaragod distt., Kerala has been taken over by Renewable Power Corporation of Kerala Ltd. (RPCKL), which is a joint venture of SECI and KSEB.
- Competitive bids were invited on 28-06-2016 by SECI (Project Management Consultants) on behalf of THDCIL for the proposed 50 MW grid connected Solar PV Project at Kerala. The bids were submitted / opened on 09.02.2017 & reverse bidding completed in April 2017. The EPC cost of L1 bidder is ₹ 200.43 Cr. Tariff arrived at is ₹ 4.02 per kwh.
- In the mean time Ministry of New & Renewable Energy (MNRE) vide its letter no 30/11/2014-15/NSM (Vol. IV) dated 18.10.2016 has conveyed its "in-principle approval" for grant of subsidy in the form of Viability Gap Funding (VGF) support of ₹ 25 Cr, i.e. @ ₹ 50 Lakh / MW under CPSU scheme of MNRE for setting up of 50 MW grid connected solar PV power plant at Kasaragod, Kerala. Before the award of the EPC Contract is made, the Power Sales Agreement with KSEB is to be signed.
- As per the Tripartite agreement, KSEB has committed to purchase the electrical output of the Project pursuant to Power Sale Agreement (PSA). Further the Tripartite agreement envisages discovery of tariff for PSA based on competitive bidding process and CERC norms.
- To take up the matter of signing of PSA further, a number of meetings had been held by THDCIL with SECI & KSEB. During the meeting of the coordination committee held at KSEB H.Q., Kerala on 27th April 2017, SECI / THDCIL had intimated the Tariff of ₹ 3.95 per Unit as per CERC norms & VGF subsidy of MNRE. On further insistence by KSEB, the levellised Tariff has been reduced to ₹ 3.78 per unit on 29.05.2017 (pre GST scenario) on most conservative basis, the financial parameters considered being even lower than that of CERC norms.
- Again during the meeting of 16th & 17th August 2017 held by SECI & THDCIL in the office of KSEB H.Q., Kerala, the tariff for the Project was agreed at ₹ 3.70 per unit. However, on further insistence by KSEB to reduce the tariff, THDCIL has conveyed its consent to sign the PSA at a tariff of ₹ 3.55 per kwh to SECI for communicating it to KSEB. KSEB vide letter dt. 11.10.2017 granted in-principle approval for signing of PSA at a tariff of ₹ 3.55 per kwh.
- THDCIL, after signing the PSA on 08.11.2017 have submitted the same to KSEB on 10.11.2017 for signing by them.
- THDCIL vide letter dt. 29.11.2017 have requested CMD, KSEB for intervention for early signing of PSA so that project implementation can be taken up immediately.
- Hon'ble Minister of State (I/C) for Power and New & Renewable Energy, Gol vide DO letter dt. 15.12.2017 requested Hon'ble Chief Minister, Govt. of Kerala for intervention so that PSA can be signed by the relevant officers and implementation of the project can be taken up on priority.
- Secretary (Power), Gol, MoP vide DO letter dt. 18.12.2017 also requested Chief Secretary, Govt. of Kerala for intervention for early signing of PSA for immediate implementation of the Project.

- THDCIL vide letter dt. 11.01.2018 requested Secretary (Power), Gol, MoP, New Delhi for kind intervention for causing directions to the concerned for early signing of PSA for immediate implementation of the Project.
- THDCIL during Review meeting of important projects on 02.02.2018 informed Hon'ble Minister of State (I/c) for Power and New & Renewable Energy, Gol that issue of signing of PSA by KSEB has not been resolved so far and requested for intervention.
- Managing Director, SECI vide DO letter dtd. 10.04.2018 also requested CMD, KSEB for his kind intervention for early signing of PSA and Land Agreement.
- Award of the work would be done after signing of PSA with KSEB.
- In the meantime, despite of all out efforts, MNRE has communicated vide letter dt. 07.05.2018 intimating cancellation of 50 MW Solar Power project on the grounds of no substantial progress achieved by THDCIL.
- Further, viable gap funding (VGF) may not be admissible for this project. Accordingly, SECI has been requested vide letter dated 16.5.18 to cancel the NIT floated earlier for this project and further re-tendering under "Open Category" be resorted on priority to take up project on fast track mode.
- Despite enormous efforts by THDCIL and intervention by Ministry of Power for the last two years with Govt. of Kerala and Kerala State Electricity Board, Kerala for signing of Power Sale Agreement (PSA) @ Rs. 3.55 / kwh for 50 MW Solar Project, the same could not be signed so far.
- Further, since MNRE has communicated cancellation Viable Gap Funding (VGF) of Rs. 25 Cr., earlier sanctioned for 50 MW Solar Power project at Kasargod, Kerala; the Viable Gap Funding (VGF) may not be admissible for this project now. Accordingly, SECI has been requested vide letter dated. 16.5.18 to cancel the already floated NIT for this project and initiate the process of re-tendering under "Open Category" on priority. However, in this context, Cabinet approval from Govt. of Kerala regarding clearance of land is awaited, after which the work would be retendered by SECI.
- Further, Secretary (Power), Gol MoP has written a letter to Chief Secretary, Kerala on 25.07.18 to expedite the signing of PSA.
- In CAPEX review meeting held on 26-07-2018 at New Delhi, THDCIL informed that one of the main reason for non-utilization of CAPEX during FY 2017-18 was that the provision of ₹ 249 Cr kept for Solar Power project (50MW) remain unutilized due to land related issue of State Govt. which are yet to be resolved. During FY 2018-19, a provision of ₹ 63.52 Cr. is kept for Solar Power Project (50MW).
- An offer to set up a solar PV project of 5-10 MW in Ambalathara, distt. Kasargod on 27 acres of land, which is already in possession of RPCKL, has been made by RPCKL to THDC. THDCIL conveyed in principle acceptance the offer (vide its e-mail dated 1st Oct-18) subject to signing of Power Sale Agreement (PSA) with KSEBL at agreed tariff.
- THDCIL vide letter dtd. 03.10.18 requested KSEB to hold a meeting on 09/10 Oct' 18 for signing of PSA.
- THDCIL's officials visited Ambalathara, distt. Kasargod, Kerala during 23-25 Oct'18 and discussed the issues regarding the signing of PSA for 50MW solar project and for transfer of 27 acre land for 5-10 MW solar project. CEO, RPCKL informed that action shall be taken shortly for transfer of land to THDCIL for 5-10 MW Solar project. CMD KSEB informed that issue of land for 50MW Solar project is under active consideration of Govt. of Kerala and is expected to be resolved shortly.
- Recently a G.O has been issued by Kerala Govt. for transfer of 250 acre govt. land (in Dist. Kasargod, Taluk Manjeshwaram) to KSEB on lease basis to enable Renewable Power Corporation of Kerala Ltd. (RPCKL) to establish solar power. In light of above development

THDCIL has requested on 21.12.18 to SECI for retender of 50MW solar project at Kasargod on priority.

- In light of above development THDCIL has requested on 21.12.18 to SECI for re-tendering of 50MW solar project at Kasargod on priority.
- Recently CEO of RPCKL (JV of KSEB and SECI) has invited THDC for co-ordination meeting at Thiruvananthapuram along with SECI for signing of lease deed, implementation agreement and finalization of other modalities for implementation of 50 MW solar power plants.
- Further, Power Sale Agreement has been signed between KSEB & THDCIL on 16.01.19 with upper cap limit of Rs. 3.10/unit subject to discovery of tariff through competitive bidding and approval thereof from Kerala State Electricity Regulatory Commission (KSERC).
- Land use agreement and implementation agreement have also been signed between THDCIL and Renewable Power Corporation of Kerala Ltd (RPCKL) on 7th Feb-2019.
- Rs. 25.4 Cr. have also been deposited with RPCKL by THDCIL as one time upfront development charges of Solar Park.
- NIT for 50 MW solar project has also been issued and uploaded on CPP portal on 8th Feb-2019.

IDENTIFICATION OF NEW SOLAR SCHEMES :

To explore the possibility / viability of Floating Solar Power Plant on THDC's Koteshwar Reservoir, SECI has conducted visit of Koteshwar Project recently in May-18. Further decision shall be taken according to viability report of SECI.

THDCIL is further exploring the possibility of developing solar power projects on the land available with UPID on canal embankments, canal tops and adjacent to barrages etc.

