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Big push for renewables in Delhi

BSES announces plans to procure 700 MW of green energy

Largest private sector 'green' bid in India under MNRE guidelines

BSES to procure renewable power through 'reverse auction' route

- **Delhi consumers to benefit in a big way as it will keep the retail tariff low**
- **Plans to procure renewal power at under Rs 5 per unit as apposed to Rs 6.19 per unit which was the lowest rate in earlier bid**
- **To help reduce cost for the green energy basket by around Rs 200 crore annually**
- **Promote clean and green energy in a big way and to reduce cost for the green energy basket**
- **BSES is using "reverse auction" for procuring both Solar as well as Non-Solar power**

BSES discoms are always looking at various ways to reduce the power cost for their consumers. The discom has been exploring options to procure the renewable energy at competitive rates, so it doesn't unduly burden the consumers of BSES while meeting the RPO targets.

In line with this, BSES is seeking to procure around 700 MW of 'green' energy at very competitive rates. Infact, this will be the largest private sector 'green' bid in India under the MNRE guidelines.

To source renewal power in order to meet their RPO targets, BSES discoms had floated a tender in November 2014, where the lowest bid received was at Rs 6.19 per unit and average at Rs 6.4 per unit. Finding the price expensive and based on the result of a 'reverse auction' and constant reduction in solar prices, BSES unilaterally wrote to the DERC withdrawing the earlier tender and requesting permission to procure both solar and non solar power through 'reverse auction'. This will enable BSES to procure 'green' power at extremely competitive rates and greatly benefit its consumers.

In an order dated December 29, 2015, DERC allowed BSES discoms to procure renewable power through this process in line with MNRE guidelines.

Benefits:

- This process will enable BSES discoms to honour their Renewable Power Obligations (RPO) at a competitive rate, without burdening consumers.
- It will help BSES procure renewable power at a lower cost (save around Rs 1.50 per unit), translating into annual savings of around Rs 200 crore for the consumers.

“This will open a new avenue of procuring power at competitive rates from renewable sources. The whole process is ultimately going to help consumers in a getting a cleaner energy at competitive rates and keep the retail tariffs low” said a BSES spokesperson.

BSES is hopeful of drastic reduction in tariff offered by bidders in line with the emerging market trends, thus favorably impacting consumer tariff.