



Ministry of Power

Power Purchase Agreement for Rewa Ultra Mega Solar Power Project signed

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Union Minister of State (IC) for Power, Coal, New & Renewable Energy and Mines, Shri Piyush Goyal, presided over the signing of Power Purchase Agreements (PPA) between Delhi Metro Railways Corporation (DMRC) & Madhya Pradesh Power Management Company (MPPMC) with Rewa Ultra Mega Solar Limited, the implementing agency for the 'world's largest singlesite solar power project', the Rewa Ultra Mega Solar Power Project (UMSPP, 750MW) in Bhopal today. Other dignitaries present on the occasion were Union Minister for Urban Development, Housing & Urban Poverty Alleviation and Information & Broadcasting, Shri M. Venkaiah Naidu and Shri Shivraj Singh Chouhan, Chief Minister of Madhya Pradesh.

Addressing the gathering, Shri Naidu said that Madhya Pradesh is a special state having huge resource base that is being harnessed under Shri Chouhan's leadership. Taking a huge step towards realizing Prime Minister Shri Narendra Modi's vision of 24x7 Affordable, Quality Power for All, Madhya Pradesh has successfully brought down the rate of solar power to Rs. 3.30/ unit, which is a huge revolution in its own right, Shri Naidu noted. The Minister said that seven cities in the State qualified as smart cities in the first round comprising a total of 20 cities. This has been made possible only through people's active participation and the dynamic leadership in the State, Shri Naidu said.

In his address, Shri Chouhan said that the Madhya Pradesh government has set 3 guiding principles of its performance - equitable growth, social empowerment and sustainable development. The Chief Minister noted that a decade ago even water, electricity and roads used to be challenges in the State but now due to the dynamic development model being implemented, the year on year agricultural growth will touch 25% this year and milestones like the cheapest solar power in the country are being achieved in Rewa. Madhya Pradesh has become the leading state in renewable energy sector in India, the Chief Minister said.

Congratulating Shri Chouhan on his unrelenting efforts in the direction of achieving the unprecedented scaling up of the renewable energy sector in the State, Shri Piyush Goyal informed that the Rewa UMSPP had achieved historic results with a record low first year tariff of Rs 2.97 per unit of electricity and a levelised tariff of Rs 3.30 over the term of 25 years, in the marathon online auction, which lasted 33 hours between biggest of the Global solar companies. The Rewa UMSPP becomes the first power project to conduct interstate sale of solar power to Delhi Metro. There would be huge savings to the Delhi Metro because of per unit cost of power reducing from over Rs. 4.50 to Rs. 3.30, Shri Goyal informed.

Shri Goyal also mentioned that with Prime Minister Narendra Modi's leadership and cooperation of all Chief Ministers of various States, in the last 3 years, renewable energy has seen a growth of over 370 %. As compared to 2,600 MW of installed solar power capacity in 2014, today in India there is a total of 12,200 MW of installed solar power capacity and the country would achieve the 20,000MW solar power capacity target 5 years ahead of schedule by the end of 2017, the Minister noted.

Shri Goyal appreciated the proactive way in which the Madhya Pradesh Government provided financial guarantees to make the Rewa PPAs viable. The Minister further informed that the Rewa PPA has been accepted by the central government as a standard model for all other state governments to emulate and achieve lowest electricity tariff rates through competitive bidding.

Listing out the factors responsible for the success of the Rewa UMSPP, Shri Goyal included partnership of all stakeholders; outcome-oriented decisive leadership; root cause analysis of causes of failure on previous bids; time-bound execution; innovative financial model like partnering with International Finance Corporation (IFC); focus on transparency and technology including green energy corridor for evacuation of solar power; assigning responsibility and fixing accountability of implementation at each step.

Other dignitaries present on the occasion were Ministers in Madhya Pradesh Government, Shri Paras Chandra Jain, Minister for Energy, New & Renewable Energy and Shri Rajendra Shukla, Minister for Mineral Resources, Commerce, Industry and Employment, Overseas Indian Affairs, along with other senior officials of the Union Ministry of Power, State Government, DMRC and IFC.

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