



Guidelines issued for procurement of wind power through tariff based competitive bidding process

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Government has issued Guidelines under Section 63 of the Electricity Act, 2003 providing a framework for procurement of wind power through a transparent process of bidding including standardisation of the process and defining of roles and responsibilities of various stakeholders. These Guidelines aim to enable the Distribution Licensees to procure wind power at competitive rates in a cost effective manner

2. The Guidelines are applicable for procurement of wind power from grid-connected Wind Power Projects ('WPP') having-

(a) individual size of 5 MW and above at one site with minimum bid capacity of 25 MW for intra-state projects; and

(b) individual size of 50 MW and above at one site with minimum bid capacity of 50 MW for inter-state projects.

3. Key components the Guidelines include that for compensation for grid unavailability and backing-down, robust payment security mechanism, standardisation of bidding process, risk-sharing framework between various stakeholders through provisions like change in law, force majeure, measures in case of default of procurer as also by generator, etc.

4. These Guidelines will give boost to the wind power sector as it would facilitate the windy States to go for bidding process for procurement of wind power themselves. After transition of tariff regime from feed in tariffs to bidding route, it was mainly central government bids through SECI which were helping the sector. State bids from Tamil Nadu and Gujarat had objections from the wind sector in absence of guidelines.

5. In view of very competitive tariffs of Rs. 2.64 per unit discovered through SECI's second bid, the availability of these guidelines for states, the wind power sector is poised for a strong growth path towards achievement of 60 GW by 2022.

These Guidelines are available at following link:

http://powermin.nic.in/sites/default/files/webform/notices/Resolution_on_wind_Bidding_Guidelines_dated_8th_Decemeber_2017_Eng.pdf

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