



Petition No. 1926 of 2022
BEFORE
THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW

Date of Order: 06.03.2023

PRESENT:

Hon'ble Shri Raj Pratap Singh, Chairman

Hon'ble Shri Vinod Kumar Srivastava, Member (Law)

IN THE MATTER OF: Petition under Section 63 of the Electricity Act, 2003 read with Revised Guidelines for Procurement of Electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis dated 30th January 2019 issued by Ministry of Power, for adoption of tariff and approval of agreement for procurement of power by the Commission for purchase of 100 MW RTC Power by NPCL from the Successful Bidder/s pursuant to tariff determined through a transparent and competitive e-Bidding followed by Reverse Auction Process through DEEP Portal adopted in accordance with the Guidelines.

Noida Power Company Ltd. (NPCL),

Plot No. ESS, Knowledge Park - IV, Greater Noida - 201310.

..... **Petitioner**

The following were present:

1. Shri Sanket Srivastava, Head (Power Purchase), NPCL

ORDER

(Date of Hearing: 28.02.2023)

1. The Petitioner, NPCL has filed the instant Petition seeking adoption of tariff and approval of Agreement for Procurement of Power (APP) dated 07.12.2022 for procurement of 100 MW RTC Coal-based power from Jindal India Thermal Power Ltd. under Medium-Term from 01.04.2023 to 31.03.2026.
2. The Petitioner has prayed as follows:
 - a) Adopt the tariff as mentioned in Table 6 for procurement of 100 MW Thermal power of M/s TPTCL (Source: Jindal India Thermal Power Limited, Orissa), in view of the Section 63 of the Electricity Act, 2003 read with revised Guidelines for Procurement of Electricity for Medium-Term from Power Station set up on Finance, Own and Operated (FOO) dated 30th January, 2019 issued by Ministry of Power to enable the Petitioner to supply reliable power to its consumers;
 - b) Approve the APP dated 07.12.2022 attached as Annexure 10.



- c) Grant Liberty to the Petitioner to add further Prayer(s) with the permission of the Commission; and
- d) Pass any other order(s) as this Commission may deem fit in the facts and circumstances of the case.

Background

- a) The Petitioner's submission in the Petition are as follows:

NPCL has following tie-ups for supply of power:

Long-Term Arrangements-

- i) 171 MW RTC power at ex-generator's bus from M/s DIL - approximately 158 MW RTC will be available at NPCL bus.
- ii) 25 MW Solar Power at ex-generator's bus from M/s Adani Solar Energy Chitrakoot One Limited - approximately 13-14 MW will be available during day hours at NPCL bus.
- iii) 25 MW Solar Power at ex-generator's bus from M/s Tata Power Renewable Energy Limited - approximately 13-14 MW will be available during day hours at NPCL bus.
- iv) 10 MW Wind Power at ex-generator's bus from M/s PTC India Limited - approximately 6-7 MW RTC will be available at NPCL bus.

Medium-Term Arrangements-

- i) 45 MW RTC power from M/s Tata Power Trading Limited from May-Sept. 2023
 - ii) 15 MW RTC power from M/s APPCPL from May-Sept. 2023
- b) Based on the demand trend of the Consumers, NPCL has estimated its load requirement from FY 2022-23 to FY 2026-27 and NPCL expects the energy requirement and peak demand during the period as follows:

Financial Year	Energy Requirement (MU)	Peak Demand (MW)
2022-23	3292.66	592
2023-24	3589.47	680
2024-25	4020.21	743
2025-26	4502.63	832
2026-27	5042.95	932

**Petitioner has estimated demand growth @ 11% CAGR from FY 2023-24*

- c) In order to meet the above load requirement, NPCL decided to procure 100MW RTC Power on medium term basis in accordance with the Revised Guidelines for Procurement of Electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis dated 30th January 2019 issued by



Ministry of Power. The successful bidder is required to supply 100MW during 00:00-24:00 Hrs. Round the Clock for a period of 3 (Three) years commencing 1st April 2023 to 31st March 2026 having delivery point at CTU periphery i.e., interconnection of Seller with CTU (Delivery Point).

- d) Accordingly, NPCL prepared bidding documents viz. "Request for Qualification" (RFQ), "Request for Proposal" (RFP) and "Agreement for Procurement of Power" (APP) as per the Medium-Term Bidding Guidelines published vide No. 23/17/2013-R&R-Vol-VI (Part-2) dated 29th January 2019. The timelines for the bidding process as detailed in Clause 1.3. of the RFQ are as follows:

Sl. No.	Events	Date
1.	Date and time of Start of e-Tender Stage	12:00 Hrs. of 15.10.2022
2.	Last date and time for receiving queries on RFQ and RFP	18:00 Hrs. of 01.11.2022
3.	Pre-Bid Meeting	12:00 Hrs. of 03.11.2022
4.	Utility response to queries latest by	18:30 Hrs. of 09.11.2022
5.	Last date and time of submission of e-Tender (including Section A and Section B) – Bid Due Date	12:00 Hrs. of 16.11.2022
6.	Opening of Application	13:00 Hrs. of 16.11.2022
7.	Intimation to short-listed and pre-qualified Bidders for opening of their Bids	15:00 Hrs. of 22.11.2022
8.	Opening of Bids of those Qualified Bidders.	11:00 Hrs. of 24.11.2022
9.	Start of e-Reverse Auction	13:00 Hrs. of 24.11.2022
10.	Close of e-Reverse Auction	120 minutes from the start of e-Reverse Auction subject to Auto Extension of 10 minutes.
11.	L-1 Matching	If needed at the close of the e-Reverse Auction Stage, there will be an L-1 Matching Round for 30 mins.
12.	Letter of Award (LOA)	Within 10 days of Close of Bidding Process.
13.	Validity of Bids	120 days of Bid Due Date
14.	Signing of APP	Within 10 days of award of LOA

- e) NPCL published a tender notice in the newspapers viz., The Indian Express and The Financial Express on 15th October 2022 inviting Bids from eligible bidders for delivery of 100MW during for a period of 3 (Three) years commencing 01.04.2023 to 31.03.2026, having delivery point at CTU Periphery i.e., interconnection of Seller with CTU. The last date for submission of bids was 16.11.2022.
- f) As per the Medium-Term Bidding Guidelines, NPCL has adopted e-Bidding Process followed by Reverse Auction on the "Discovery of Efficient Electricity Price (DEEP) Portal" of Ministry of Power and appointed M/s PFC Consulting Limited (PFC) as its Authorized Representative for the purpose of procurement



of electricity from the corporate entity(ies) & Reverse Auction Process. The Bidding Documents (RFQ, RFP and APP) detailing all terms and conditions were prepared in coordination with PFC based on the Medium-Term Guidelines without any modification. Further, PFC was also authorized by the NPCL to open the technical and financial bids. Accordingly, Bidding Documents were also uploaded on DEEP Portal.

- g) Pre-bid meeting was conducted on 03.11.2022 during which, the Petitioner clarified various concerns /matters raised by various potential bidders. In the said meeting several queries were raised by the bidders viz. minimum quantum to be bid, bid capacity, scheduling of power, technical capacity, extension of bid submission time etc. Addressing the queries of the Bidders, NPCL replied to all the queries of the Bidder on 09.11.2022.
- h) On 15.11.2022, NPCL issued a corrigendum to the replies on Pre-Bid Queries, wherein the last date of submission of application and Bids was extended from 17:00 Hrs. of 16.11.2022 to 17:00 Hrs. of 18.11.2022 (i.e., Bid Due Date) and also stated that applications shall be opened on the same date at 17:30 Hrs.
- i) On 18.11.2022, NPCL received total Seven (07) number of bids and the Applications (i.e., Technical Bids) were opened on the same day. On 24.11.2022 at 11:00 hrs, NPCL and authorized representative -PFC opened the bids of all the pre-qualified bidders in the RFQ process. Thereafter, NPCL evaluated the bids in accordance with the provisions set out in Clause 3 of the RFP. After 120 minutes of the opening of the RFP bids, the e-Reverse Auction was started on DEEP Portal i.e., @ 13:00 hrs. on 24.11.2022. In the e-Reverse Auction Stage, following rates were discovered:

S. No	Bidder	Source	Quantum (MW)	Cost of Generation (Rs./kWh)	Transmission Charges (Rs./kWh)	Transmission Losses (Rs./kWh)	Total Tariff at Delivery Point (Rs./kWh)
				A	B	C	D = (2*A+B+C)
1.	Tata Power Trading Comp. Ltd	Jindal India Thermal Power Limited	100	2.025	0.0	0.0	4.05
2.	Jindal Power Ltd	Jindal Power Limited STG-14x250MW	100	2.06	0.0	0.0	4.12
3.	Manikaran Power Ltd	VS Lignite Power Pvt.	100	2.4	0.0	0.0	4.80



		Ltd., Rajasthan					
4.	Manikaran Power Limited	BLA Power Pvt. Ltd. - Unit-2, Madhya Pradesh	25.0	2.485	0.0	0.0	4.97
5.	Adani Enterprises Limited	Mahan Energen Limited (MEL)	25.0	3.0	0.0	0.0	6.00
6.	Manikaran Power Limited	BLA Power Pvt. Ltd.- Unit-1, Madhya Pradesh	25.0	3.38	0.0	0.0	6.76
7.	MB Power Madhya Pradesh Ltd.	1200 MW Anuppur TPP Madhya Pradesh	100	3.74	0.0	0.0	7.48

**Note: In Computation of total tariff at Delivery Point periphery, Base fixed charges have been considered equal to the cost of Generation as per the Standard Bidding Documents.*

- j) With reference to the Tariff discovered through Competitive bidding, transmission charges & losses are reflected as zero since the delivery point is considered at the CTU periphery i.e. interconnection of Seller with CTU, therefore, the transmission charges and losses upto the delivery point i.e. CTU periphery is to be borne by the bidder and beyond delivery point i.e. withdrawal charges and losses of Northern Region and Transmission Charges & Losses of STU (i.e., UPPTCL) are payable by NPCL from the delivery point till NPCL-bus on actuals.
- k) As per the provisions of the RFP, M/s Tata Power Trading Company Ltd. (Source: JITPL, Orissa) had been declared as "L1" for supply of 100 MW at quoted tariff of Rs. 4.05/kWh at delivery point. The details of the tariff quoted by M/s TPTCL is summarized below:

Source	-	Jindal India Thermal Power Limited, Orissa
Quantum at Delivery Point i.e., CTU Periphery of Seller		01.04.2023 to 31.03.2026: 100 MW RTC
Fixed Charges (Rs. /kWh)	A	2.025
Variable Charges (Rs. /kWh)	B	2.025
Cost of Transmission Charges (Rs. /kWh)	C	0.000
Cost of Transmission Losses (Rs. /kWh)	D	0.000
Total Tariff at Delivery Point (Rs. /kWh)	E = A+B+C+D	4.050



- l) The aforesaid fixed charges have been computed at 85% Normative Availability in accordance with Article 11.4 of the Standard APP as provided in the Medium-Term Bidding Guidelines and Standard Bidding Documents. Further, in case the off-take exceeds the 85% normative availability, the power supplier will receive incentive in-lieu of fixed charges @ 50% of the fixed charges in accordance with Article 11.6.1 of the Standard APP as provided in the Medium-Term Bidding Guidelines and Standard Bidding Documents.
- m) NPCL, on 25.11.2022 issued a Letter of Award (LoA) to M/s TPTCL with a request to provide unconditional acceptance and acknowledgement of the LoA on or before 28.11.2022 in terms of Clause-5.5 of the RFP. Further, NPCL clarified that the LoA is subject to approval of the State Electricity Commission. Thereafter, in accordance with the timelines specified in the RFQ, NPCL and M/s TPTCL signed the APP on 07.12.2022.
- n) There have been no deviations in the Standard Bidding Documents viz. RFQ, RFP and APP. The same has also been approved by this Commission in earlier Petition No. 1671 of 2021 in the matter of procurement of hydro power.

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Record of Proceedings

3. The Commission heard the instant matter on 28.02.2023. During the proceeding, Sh. Sanket Srivastava on behalf of NPCL submitted that the cost of power procurement at the NPCL periphery would be Rs. 5.26 per unit (estimated) and there is no deviation from the standard bidding guidelines of the Ministry of Power. Further, Sh. Srivastava submitted that JITPL (source of power) has FSA under Shakti Scheme and the present PPA has to be mapped with the said FSA for delivery of coal to the JITPL's TPP and therefore, requested the Commission for early disposal of the order in the matter. On the specific query of the Commission, Sh. Srivastava responded that it is for 100 MW RTC power.

Commission's View

4. Section 63 of the Electricity Act, 2003, states that the Commission shall adopt the tariff arrived through transparent process of bidding in accordance with guidelines issued by Central Government. The said provision is reproduced below:

"Section 63 (Determination of tariff by bidding process): Notwithstanding anything contained in section 62, the Appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government."

5. Clause 3 of the Medium-Term Bidding Guidelines dated 30.01.2019 issued by Ministry of Power states as follows:

"3. The tariff determined through the DEEP e-Bidding process using e-reverse Auction based on these Guidelines comprising the Model Bidding Documents shall be adopted by the Appropriate Commission in pursuance of the provisions of Section 63 of the Act."



6. We understand that coal, for supply of power under the APP dated 17.12.2022, would be procured under the SHAKTI scheme of Ministry of Coal. Therefore, discount as per the applicable provisions under the SHAKTI scheme, shall be applicable.
7. In view of the above and pursuance of the documents placed on record, the Commission approves the Agreement for Procurement of Power (APP) dated 17.12.2022 between NPCL and M/s TPTCL and adopts the tariff of Rs. 4.05 per kWhr at delivery point, in terms of APP dated 17.12.2022, for the period from 01.04.2023 to 31.03.2026 in accordance with the Section 63 of the Electricity Act, 2003.

Accordingly, the Petition is disposed of.

(Vinod Kumar Srivastava)
Member

(Raj Pratap Singh)
Chairman

Place: Lucknow

Dated: 06.03.2023

