

Before
UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
Lucknow

Quorum

Sh. Raj Pratap Singh, Chairman
Sh. Kaushal Kishore Sharma, Member
Sh. Vinod Kumar Srivastava, Member (Law)

In the matter of:

Suo-Moto proceedings regarding status of compliance of Uttar Pradesh Electricity Regulatory Commission (Merit Order Despatch and Optimization of Power Purchase) Regulations, 2021

In the matter of:

1. Managing Director, Uttar Pradesh Power Corporation Ltd., 14, Ashok Marg, Lucknow-226001
2. Managing Director, Madhyanchal Vidyut Vitran Nigam Ltd., 4 Gokhale Marg, Lucknow-226001
3. Managing Director, Purvanchal Vidyut Vitran Nigam Ltd., PO-DLW-Hydel Colony, Varanasi-221211
4. Managing Director, Paschimanchal Vidyut Vitran Nigam Ltd., Hydel Colony, Victoria Park, Meerut-250001
5. Managing Director, Dakshinanchal Vidyut Vitran Nigam Ltd., Vidyut Bhawan, Gailana Road, Amar Ujala, Sikandra, Agra-282007
6. Managing Director, Kanpur Electricity Supply Co. Ltd., 14/71, Civil Lines, KESA House, Kanpur-208001
7. Director, U.P. State Load Dispatch Centre, U.P. Power Transmission Corporation Ltd., Vibhuti Khand-II, Gomti Nagar, Lucknow-226010

The following were present:

1. Shri Ashwani Kumar, Director, UPPCL
2. Shri Kushwaha, Director, SLDC
3. Shri Piyush Shukla, SE, SLDC
4. Shri Vivek Dixit, SE, SLDC
5. Shri Alok Mehrotra, SE, UPPCL



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6. Shri Mohit Goyal, Consultant
7. Shri B. K. Saxena, Counsel for UPPCL
8. Shri Divyanshu Bhatt, Advocate, SLDC

ORDER

(Date of Hearing 30.07.2021)

The Commission had framed UPERC (Merit Order Despatch and Optimization of Power Purchase) Regulations, 2021 (herein after referred to as UPERC MOD Regulations), which got notified on 3rd February 2021. Subsequent to it, the Commission initiated a Suo Moto proceeding regarding status of compliance of these Regulations and directed the UPPCL/ State Distribution Licensees and UPSLDC to appear before the Commission and make submissions regarding the status of implementation.

During the hearing UPPCL raised certain concerns, which are impeding the adoption of the methodology for merit order dispatch as provided in the Regulations. UPSLDC also made submissions in the matter. The Commission directed UPPCL and UPSLDC to make written submissions clearly outlining the issues and concerns, which have been raised during the hearing.

UPPCL made a written submission vide email dated 11 August 2021, wherein a presentation has been submitted underlining the issues, which require further clarity for the purposes of preparation of MOD Stack & Treatment of Change in Law issues. All the issues raised in the submission of UPPCL are being addressed by the Commission in the UPERC (Merit Order Despatch and Optimization of Power Purchase) Regulations, 2021 (Removal of Difficulty) First Order, 2021.

The issues raised by UPPCL are enlisted below -

Issue No.(1) : As per Regulations AC-UBC (variable component of Inter-State Transmission Charges) are to be added in the variable cost for the purpose of preparation of MOD Stack.

Issue No.(2) : How to account for inter-state transmission losses.

Issue No.(3) : Treatment for those generators, which had zero scheduled generation in past 2 months or duration of 15 days to be considered for preparation of MOD stack.

Issue No.(4) : Treatment of impact on account of Change in Law.

