

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 249/AT/2021

Subject : Petition under Section 63 of the Electricity Act, 2003 for adoption of tariff for the Procurement of Aggregated Power of 2500 MW under Pilot Scheme-II for three years (covered under medium-term) as notified by Government of India.

Date of Hearing : 14.12.2021

Coram : Shri P. K. Pujari, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member
Shri P. K. Singh, Member

Petitioner : PTC India Limited (PTCIL)

Respondents : PFC Consulting Limited and 8 Ors.

Parties Present : Shri Ravi Kishore, Advocate, PTCIL

Record of Proceedings

Case was called out for virtual hearing.

2. Learned counsel for the Petitioner submitted that the present Petition has been filed for adoption of tariff discovered through transparent competitive bidding process conducted by PFC Consulting Limited in terms of the “Guidelines for Procurement of aggregated Power of 2500 MW under Pilot Scheme-II for three years (covered under Medium Term) facilitated by PFC Consulting Limited as Nodal Agency and through an Aggregator” (for short, “the Pilot Scheme-II”) as notified by Ministry of Power, Government of India on 6.2.2019. The learned counsel mainly submitted the following:

(a) The Pilot Scheme-II was issued to facilitate procurement of aggregated power of 2500 MW for the period of three years from the generating companies having coal based power plants which are already commissioned and without having a Power Purchase Agreement.

(b) The Scheme also envisaged the procurement of power through competitive bidding process to be conducted by PFC Consulting Limited (‘PFCCL’) as the Nodal Agency and in order to facilitate the procurement and supply of power between the successful bidder(s) and distribution licensees, an Aggregator to be appointed by PFCCL. It was envisaged that the Aggregator will sign an Agreement for Procurement of Power (‘APP’) with the successful bidder(s) and back-to-back Power Supply Agreement (‘PSA’) with the distribution licensees.

(c) As per the Pilot Scheme-II, PFCCL had issued an e-tender for appointment of ‘Aggregator’ under Pilot Scheme-II and pursuant to the bidding

process thereunder, the Petitioner herein was appointed as 'Aggregator' under the Pilot Scheme-II.

(d) PFCCL had issued the bidding documents along with draft APP and PSA under the Pilot Scheme-II on 1.1.2020 and reverse auction was carried out on 7.2.2020. PFCCL, vide its letter dated 10.2.2020, communicated to the Petitioner the final results after reverse auction and L1 matching, which contained the list of 12 generators/ bidders along with details of location of plant and quantum. The discovered tariff was Rs.3.26/kWh at the CTU interconnection point of power station.

(e) Thereafter, PFCCL vide its letter dated 10.6.2020 intimated the Petitioner the ranking of the successful bidders and advised to contact the States/ Distribution Companies ('Discoms') to ascertain the power requirements. The Petitioner approached various Discoms for sale of power under the Pilot Scheme-II. However, due to Covid-19 pandemic, various successful bidders/ generators did not extend the bid validity and only five generators gave their consent for extension of bid validity. Accordingly, the Petitioner could tie up only 820 MW power.

(f) The Petitioner has entered into APPs with Jindal Thermal Power Ltd. for 270 MW, Jaiprakash Power Ventures Limited for 200 MW, M B Power (Madhya Pradesh) Limited for 150 MW, D B Power Limited for 100 MW and SKS Power Generation (Chhattisgarh) Limited for 100 MW. The Petitioner has entered into PSAs on back-to-back basis with Kerala State Electricity Board Limited ('KSEBL') for 270 MW, J&K Power Corporation Limited for 150 MW and TANGEDCO for 400 MW.

(g) The trading margin of the Petitioner is 1.73 paise/kWh, which has been agreed to by the Discoms and within the ceiling prescribed by the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2020.

(h) TANGEDCO and KSEBL have already approached the respective State Commissions for procurement of power under the Pilot Scheme-II, which has been approved by the respective State Commissions.

3. The representatives of the Respondent No.2, Jindal India Thermal Power Limited and the Respondent No.4, M B Power (Madhya Pradesh) Limited requested the Commission to adopt the tariff.

4. In response to the specific query of the Commission regarding having discovered a uniform tariff of Rs. 3.26/kWh in the bid process, the learned counsel for the Petitioner submitted that the aforesaid tariff was discovered after e-reverse auction and thereafter, L1 matching took place. In response to the further query as to who was the L1 bidder and as to whether the said bidder is included in the balance five bidders (out of 12 bidders selected initially) to whom the capacities have been allocated, the learned counsel replied in affirmative. The learned counsel submitted that L1 bidder was Jindal India Thermal Power Limited, which has been allocated full 270 MW of quantum offered by it.

5. Considering the submissions made by the learned counsel for the Petitioner and the representatives of the Respondents, the Commission reserved the matter for order.

By order of the Commission

**Sd/-
(T.D. Pant)
Joint Chief (Law)**