



15. The Standing Committee further opined that though the rates discovered in the current bid are also on higher side during May – Sept 2022 however, considering the uncertainties surrounding the coal/exchange rates it is vital to tie up the same to ensure reliable power supply to the consumers.
16. The Standing Committee has duly certified that the bid evaluation has been done as per the provisions of revised Short Term Bidding Guidelines and RFP issued therein. Accordingly, NPCL issued the Letter of Awards to M/s Tata Power Trading Company Limited and M/s Arunachal Pradesh Power Corporation (P) Limited vide its letters dated 25.03.2022 subject to the approval of the Commission.
17. NPCL on 28.02.2022 received a letter from M/s APPCPL stating therein that they have received a communication from one of their sources, i.e., DB Power Limited (DBPL). M/s DBPL in its communication informed that it has provided its acceptance on the LOA for the months of May 2022 and September 2022 only and for the remaining months of June 2022, July 2022 and August, 2022, they have planned Capital overhauling of one of their units and will not be in a position to supply during these months. Accordingly, NPCL has decided not to procure power from M/s APPCPL from its source, i.e., DB Power Limited for any period/slots.
18. In view of the recommendations of the Standing Committee and subsequent development and to ensure reliable power supply at reasonable cost to the consumers, NPCL is seeking approval of the Commission to procure peak power from 01.04.2022 to 20.10.2022 from the remaining successful bidders discovered in the bidding process as tabulated below:

SR. No.	Period	Bidder Name (Source)	Quantum at Delivery Point (MW)	Rate at Delivery Point (Rs/kWh)
1	01.04.2022 to 30.04.2022	TPTCL (Prayagraj Power Generation Company Limited Uttar Pradesh (PPGCL))	80	5.49
2	01.05.2022 to 31.05.2022	APPCPL (Sembcorp Energy India Limited, Andhra Pradesh (SEIL))	20	8.00
3	01.06.2022 to 31.08.2022	APPCPL (Sembcorp Energy India Limited, Andhra Pradesh (SEIL))	25	8.00
4	01.09.2022 to 30.09.2022	APPCPL (Sembcorp Energy India Limited, Andhra Pradesh (SEIL))	15	8.00
5	01.10.2022 to 20.10.2022	TPTCL (Prayagraj Power Generation Company Limited Uttar Pradesh (PPGCL))	25	5.50
6	Wt. Average Rate (Rs. /kWh)		-	6.84

*Note: 1) The rates quoted by Bidders, except M/s Tata Power Trading (Source: Prayagraj Power Generation Company Limited, U.P.), are at CTU Periphery of Seller i.e. interconnection of seller with CTU. For M/s Tata



Power Trading (Source: Prayagraj Power Generation Company Limited, U.P.), the rates are quoted at STU Periphery of Seller i.e. interconnection of seller with UPSTU.

2) For inter-state transaction, all Open Access charges & losses up to the Delivery Point i.e. intra-state transmission charges & losses, scheduling & operating charges along with application/consent fee of SLDC for the Seller's State shall be borne by the Bidder. All other charges & losses beyond the Delivery Point i.e. CTU/PGCIL transmission charges & losses, scheduling & operating charges of any Intervening RLDC, application fee of NRLDC, consent fee of UPSLDC, scheduling & operating charges of UPSLDC along with U.P. State transmission charges & losses shall be borne by the Procurer/NPCL.

3) For Intra-State transaction, all Open Access charges & losses up to the Delivery Point shall be borne by the Bidder. All other charges & losses beyond Delivery Point i.e. consent fee of UPSLDC, scheduling & operating charges of UPSLDC along with U.P. State transmission charges & losses shall be borne by NPCL.

19. The above discovered rates are at the CTU periphery of the seller and NPCL will have to incur the estimated additional cost of approx. Rs. 0.92/kWh towards inter-state and intra-state transmission charges and losses. Thus, the indicative average landed rate of above power at NPCL bus would be around Rs. 7.76/kWh.
20. Accordingly, NPCL entered two (2) Power Purchase Agreements with the successful bidders viz. with M/s TPTCL and M/s APPCPL on 26.02.2022.

Record of Proceedings

21. The Commission held the hearing on 24.03.2022, wherein Shri Manoj Jain made a presentation on total power procurement through short term bidding. **The Commission noted that the total power purchase submitted for FY 2022-23 is in marginal deviation to the business plan approved by the Commission.** The Commission has noted that NPCL has conducted rebidding for peak power and prices of power have increased. The Commission concluded the hearing on 29.03.2022 with direction to submit justification for rebidding which has been submitted vide affidavit dated 04.04.2022.

Commission's analysis and decision

22. The NPCL Internal Standing Committee has approved the power procurement for peak hours (18:00 to 24:00). The internal Committee has observed that though the rates discovered in the current bid are also on higher side during May – Sept 2022 however, considering the uncertainties surrounding the coal/exchange rates it is vital to tie up the same to ensure reliable power supply to the consumers.
23. NPCL vide affidavit dated 04.04.2022 has submitted the comparison of IEX rates for last three years, wherein there was decreasing trend for first two years. The prices were within the range of Rs. 3.43/kWh to Rs. 4.48/kWh during the period from Apr21 to Jul-21 which were much below the prices of Rs. 5.93/kWh discovered on DEEP Portal. The rates during Aug-Oct;21 was higher due to extraneous reasons and unprecedented coal crisis. Further, NPCL could get lower rates for RE power upon rebidding which were then matched by hydro power bidders.



24. NPCL has also benchmarked the discovered price with other utilities in recent bids conducted by them for similar time slots through DEEP Portal being given in the Table below:

Utility Name	Month	Duration (Hrs.)	Rate (Rs./kWh)
BRPL	Apr'22-Sep'22	21:00-24:00	8.31
GUVNL	Jul'22-Aug'22	17:00-20:00	8.50
TANGEDCO	Apr'22-May'22	17:00-23:00	8.95-9.97
KSEB	Apr'22-May'22	18:00-24:00	10.00-12.00
TPCL	Apr'22-Jun'22	18:00-24:00	10.00

Commission's View

25. The Commission has noted that peak power prices are different at the time of rebidding as compared to earlier bidding done in Dec'21 due to power market being dynamic in nature.
26. The internal Committee has duly certified that the bid evaluation has been done as per the provisions of revised Short Term Bidding Guidelines and RfP issued there under. 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."

27. In view of the recommendations of the standing committee and pursuance of the records available on record, the Commission, under Section 63 of the Electricity Act, 2003 read with Clause 11.4 of the Short-Term Bidding Guidelines, approves the tariff as claimed by the Petitioner:



SR. No.	Period	Bidder Name (Source)	Quantum at Delivery Point (MW)	Rate at Delivery Point (Rs/kWh)
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5	01.10.2022 to 20.10.2022	TPTCL (Prayagraj Power Generation Company Limited Uttar Pradesh (PPGCL))	25	5.50

28. The Commission accordingly approves the Power Purchase Agreements dated 26.02.2022 between the Petitioner & M/s TPTCL and Petitioner & M/s APPCPL.

Accordingly, the Petition is disposed of.

(Vinod Kumar Srivastava)
Member

(Kaushal Kishore Sharma)
Member

(Raj Pratap Singh)
Chairman

Place: Lucknow

Dated: 21.04.2022

