

(Amount in RS.)

FY 2019-20

Name of Station	Ex bus energy schedule d in MUs	Average Rate(Rs/kWh)			Total average rate (Rs/kWh) considering ISTS losses of 3.31%	% PLF
		Fixed Charges	Variable Charges	Total Charges		
Anta Gas	21.41	19.91	4.08	24.0	24.82	3.01
Auriya Gas	31.72	8.75	3.90	12.64	13.07	6.07
Dadri Gas	133.57	2.41	3.63	6.04	6.24	21.59
FGUTPS I	68.38	2.14	3.79	5.93	6.13	48.41
Farakka TPS	39.68	1.59	3.52	5.12	5.29	43.75

FY 2020-21

Name of Station	Ex bus energy schedule d in MUs	Average Rate(Rs/kWh)			Total average rate (Rs/kWh) considering ISTS losses of 3.31%	% PLF
		Fixed Charges	Variable Charges	Total Charges		
Anta Gas	33.89	12.58	2.80	15.38	15.90	10.17
Auriya Gas	50.20	5.59	4.07	9.67	10.00	11.95
Dadri Gas	127.48	2.52	2.88	5.41	5.60	25.01
FGUTPS I	74.26	2.48	2.73	5.22	5.39	48.34
Farakka TPS	48.30	1.31	2.80	4.11	4.25	66.55

4.5. In the last quarter of FY 2020-21 per unit impact of ISTS transmission charges is Rs 0.87 per unit. Besides, coal based plants are required to install Flue Gas Desulphurization (FGD) in compliance of MOEF notification dated 07.12.2015 whose anticipated impact is around Rs 0.20-0.30 per unit. Provisional average rate of power purchased of Discoms for the financial year 2019-20 and 2020-21 is Rs 4.91/kWh and Rs 4.81/kWh respectively.

4.6. The Board of Directors of RUVNL in the meeting dated 25.06.2021 in the view of Ministry of Power notification dated 22.03.2021, have decided to relinquish share of 252 MW of five stations mentioned above, because tariff of these

plants is very high as compared to average power purchase cost of Discoms apart from that these plants of NTPC are very old and operating at very low plant load factor. These plants are commercially unviable, have high variable cost and therefore as per merit order dispatch these power plants are supposed to be boxed up first thereby putting extra burden on the Discoms in terms of fixed charges.

4.7. There is adequate power with Discoms to meet the electricity demand of consumers of State of Rajasthan and for any shortage, if arises. There is always availability of power in the market which is around Rs. 3/KWH. It is, therefore, in the interest of consumers that Discoms may be permitted to exit the PPA of five plants as mentioned above aggregating 252 MW in view of MoP guidelines dated 22.03.2021.

4.8. In view of above submissions, Petitioner prayed that Commission in exercise of its power under section 86(1)(b) of the Electricity Act and in view of guidelines issued by the Ministry of Power vide order dated 22.03.2021 permit the State Discoms i.e the Petitioners to exit from PPA for the power Plants Anta Gas, Auriya Gas, Dadari Gas, FUGTPS (I), Farraka TPS aggregating to 252 MW.

5. Respondent in its reply submitted as under:

5.1. Although Anta GPS, Auraiya GPS, FGUTPS St-I and Farakka TPS St-I&II have completed 25 years from their respective COD. However, due to good O&M practices adopted by NTPC, the instant stations have been meeting the normative availability as specified under the Tariff Regulations from time to time.

5.2. Dadri GPS and Auraiya GPS are at fag end of their useful life while some stations like Anta GPS, Unchahar-I and Farakka TPS have even completed their useful life. Therefore, power from the stations which are at fag end of

their life, will also be available at fully depreciated cost as these are going to complete their useful life shortly.

- 5.3. Further as per Clause 5.11 (c) of Tariff Policy, 2016 the benefits of depreciated plants should be available to the consumers who have paid the depreciation of the plant. Therefore, in terms of Tariff Policy, 2016, benefit of reduced tariff of generating stations which have completed their useful life or about to complete their useful life should be passed on the consumers of Rajasthan. The per unit normative fixed charges of Anta GPS, Auraiya GPS, Dadri GPS FGUTPS St-I and Farakka TPS St-I&II is Rs 0.71, Rs 0.64, Rs 0.58, Rs 1.08 and Rs 0.82 respectively.
- 5.4. As per the MOP Guidelines dated 22.03.2021, this Commission would ensure the adequacy of power tied up with the Discoms to meet the demand of electricity for all the consumers under such Discoms.
- 5.5. The Petitioner should be directed for submission of projected power availability before this Commission and to conduct a thorough prudence check on the contentions made by the Petitioner with respect to - projections of demand of power, adequacy of tied-up power to meet the future demand of electricity of the State and the net financial impact - after relinquishing the power from Anta GPS, Auraiya GPS, Dadri GPS, FGUTPS StI and Farakka TPS St-I&II.
- 5.6. Further Respondent submitted that Gas stations have higher ramp-up/ ramp-down facilities, they are most suitable for flexible operation and therefore, Gas Power Stations shall play crucial role to meet the peaking load and for balancing power to address the intermittency of renewable generation. Because when coal based generating stations are used for balancing requirements, the frequent regulation of thermal generation adversely affects the plant & machinery in terms of reduced life, higher maintenance

expenditure, higher downtime and lower efficiency. Hence, with the increasing penetration of renewable energy into the grid resulting into higher variability of power supply, it would be pertinent for Discoms to have Gas Stations in their portfolio to effectively take care of such variability.

- 5.7. As per Point 2(IV) of the MOP guidelines, the relinquishment of such power will be considered only after the State/DISCOMs have cleared all the past dues. The State/DISCOMs shall continue to be liable to make all the eligible payments/ dues as per the prevailing rules/regulations to the Generators whose share of power has been relinquished till final settlement. Accordingly, Rajasthan DISCOMs shall also be liable to pay the differential tariff after triuing-up or on account of Regulatory/legal outcome, if any, for the period availing the contracted quantity from Anta GPS, Auraiya GPS, Dadri GPS, FGUTPS St-I and Farakka TPS St-I&II. Further, Rajasthan DISCOMs have the liability to settle the balance depreciation pertaining to its allocation from the aforesaid NTPC stations.
- 5.8. Based on the consents received from the beneficiaries during the years 2008 & 2009, NTPC entered into the LT-RLNG Supply Agreement with GAIL which has Take or Pay (ToP) liability. It is noteworthy that ToP liabilities under the Agreement with GAIL for Anta, Auraiya & Dadri GPS is expected to be tentatively around Rs 3000 Crs till CY2023. However, claim of ToP liability from GAIL is yet to be received, and shall be communicated to Rajasthan DISCOMs as and when raised by GAIL. Further, NTPC shall inform Rajasthan DISCOMs about their share & the outstanding dues in this regard from time to time and the same shall have to be settled by Rajasthan DISCOMs pertaining to their allocation from Anta GPS, Auraiya and Dadri Gas stations.
- 5.9. Rajasthan DISCOMs continues to be contractually liable for payment of bills/ invoices raised by NTPC including ToP Liability for the aforesaid NTPC stations

as per the PPA and the prevailing rules/regulations in this regard till relinquishment comes into effect.

Commission's view

6. Commission has considered the submissions, reply and oral arguments made on behalf of the Petitioners and Respondent.
7. Petitioner submitted that as per Ministry of Power, GOI guidelines dated 22.03.202, it has been decided to relinquish share of 252 MW from NTPC power plants named as Anta Gas, Auriya Gas, Dadri Gas, FGUTPS (I) and Farakka (TPS). The four plants have already completed their useful life of 25 years from date of commercial operation Date (COD) and one is completing in the next six months.
8. Further Petitioner submitted that tariff of these plants is very high compared to average power purchase cost of Discoms apart from the fact that these plants are very old and operating at very low plant load factor.
9. Per contra Respondent submitted that adequacy of power tied up by Discoms to meet the demand of electricity to all consumers should be ensured.
10. To decide the matter Commission looked into Ministry of Power, Government of India guidelines as here:-

"2. Based on the comments received in this ministry, the following Guidelines for enabling the Discoms to either continue or exit from the PPA after completion of the term of the PPA i.e. beyond 25 years or a period specified in the PPA and allow flexibility to the Generators to sell power in any mode after State/ Discoms exit from PPA have been framed for the compliance for all the concerned stakeholders.

- I. *The first right to avail power from the Central Generating Stations developed under section 62 of the Electricity Act (eligible CGSs), even beyond the term of PPA i.e. on completion of 25 years from the date of commissioning of the plant or a period specified in the PPA will continue to be with the States/ Discoms with whom the PPA was signed.*
 - II. *Willing State/Discoms may relinquish their share from eligible CGSs after expiry of the term of the PPA i.e. on completion of 25 years from the date of commissioning of the plant or a period specified in the PPA. The request for relinquishment of such power from CGSs may be submitted only after the approval of the State Commission who would ensure the adequacy of power tied up with the Discoms to meet the demand of electricity for all the consumers under such Discoms.*
 - III. a) *The States/ Discoms having Long-term PPAs with the Central Generating stations, which are due to expire in the near future can opt to relinquish the entire allocated power (firm and unallocated share) from such eligible CGSs post completion of the PPA tenure i.e. on completion of 25 years from the date of commissioning of the plant or a period specified in the PPA by giving six months advance notice for their intention to relinquish such power.*

b) *For the Stations, which have already completed 25 years, States may exit from the PPA of such eligible CGS after giving six months of notice of relinquishment of such power....."*
11. We note that Ministry of Power, Government of India vide its guidelines dated 22.03.2021, has enabled the distribution companies to either continue or exit from PPAs after completion of the term of PPA i.e. beyond 25 years or the period Order specified in PPA and to allow flexibility to the generators to sell power in any mode after the State/distribution companies exit from PPA.

12. Commission have noted that Anta Gas, Auriya Gas, FGUTPS (I) and Farakka (TPS) generating station's have completed 25 years on 31.07.2015, 30.11.2015, 21.03.2014 & 31.03.2020 respectively from the respective dates of commercial operation. Dadri Gas generating station will complete 25 years on 31.02.2022 from the date of commercial operation.
13. Further, the Discoms have submitted that they have adequate tied up power to meet the demand of electricity of all consumers.
14. In light of the above discussion, we are of the view that in terms of the PPA and the fact that four generating station's have completed 25 years, and one will complete within next six months, the Petitioner is eligible to relinquish their allocation from these plants.
15. We, therefore allow Discoms to exit from PPA for the power Plants Anta Gas, Auriya Gas, Dadari Gas, FUGTPS (I), Farraka TPS aggregating to 252 MW.
16. The Petition is disposed of in terms of the above.

(Prithvi Raj)
Member

(S. C. Dinkar)
Member

(Dr. B.N. Sharma)
Chairman



**GOVERNMENT OF MADHYA PRADESH
ENERGY DEPARTMENT
MANTRALAYA, VALLABH BHAWAN**

No. 206

Bhopal, 05/04/2022

To,

The Joint Secretary (Thermal),
Government of India,
Ministry of Power,
Shram Shakti Bhawan, Rafi Marg,
New Delhi

Sub: - Request for retaining allocated share of MP in Solapur & Khargone STPS of NTPC.

1. A request has been sent by this department vide DO letter no. 08 dated 25.01.22 for deallocation of share of MP in Solapur, Khargone & Barethi STPS in supersession of earlier request made by this department vide letter dated 16.09.19 as under:-
 - i. Solapur STPS- to deallocate entire allocated capacity of 296 MW
 - ii. Khargone STPS- to deallocate 330 MW out of total allocated 660 MW
 - iii. Kawas (Gas)- to deallocate entire allocated capacity of 140 MW
 - iv. Gandhar (Gas)- to deallocate entire allocated capacity of 117 MW
 - v. Barethi STPS- PPA annulled hence considered to be deallocated
2. Subsequent to above requests, State Utilities have received proposals from private/ government entities for setting up of solar captive power plants of megawatt scale for banking and for return of banked power also in megawatt scale during the ensuing years.
3. State utilities have re-assessed the demand/ availability position considering the very high likely integration of megawatt scale solar plants and requirement to return the banked power during specified hours and informed to this department that support of thermal generation from Solapur & Khargone STPS would be crucial for the State for the ensuing years.
4. In the meanwhile, Ministry of Power , Government of India has re-allocated the share of MP in Khargone and Solapur STPS to Gujrat & Maharashtra as under:-

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- i. 330 MW share of MP in Khargone STPS to Gujarat vide letter dated 11.03.22 till June 22
 - ii. 296 MW share of MP in Solapur STPS to Maharashtra vide letter dated 27.03.22 till 15.06.22
5. Due to likely increase in RE integration and considering the typical load/ availability pattern of the State as intimated by the State Utilities, matter of de-allocation of States share in Solapur & Khargone STPS has been reviewed and it has now been decided to retain the entire allocated share of MP in Solapur & Khargone STPS of NTPC. Accordingly, the revised request for surrender/ retaining share of MP in various STPS of NTPC is as under:-

Surrendered Share in NTPC STPS(s)

- i. Kawas (Gas)- to deallocate entire allocated capacity of 140 MW
- ii. Gandhar (Gas)- to deallocate entire allocated capacity of 117 MW
- iii. Barethi STPS- PPA annulled hence considered to be deallocated

Retained share in NTPC STPS(s)

- i. Solapur STPS- to reallocate entire allocated capacity of 296 MW wef 16.06.22 upto 31st March-2024.
 - ii. Khargone STPS- to reallocate 330 MW out of total allocated 660 MW wef July 22 upto 31st March-2024.
6. It is requested to consider the above-mentioned request at the earliest and the share of MP in Khargone i.e. 330 MW and in Solapur i.e. 296 MW may please be re-allocated to MP.


(Sanjay Dubey)

**Principal Secretary, Energy Department
Government of MP**

Copy to:-

1. OSD to Hon'ble Energy Minister, GoMP, Bhopal
2. Chairman, NTPC Limited, NTPC Bhawan, Core-7, SCOPE Complex, Lodhi Road, New Delhi- 110 003
3. Managing Director, MP Power Management Co. Limited, Jabalpur