



Petition No. 1869 of 2022

BEFORE

THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

LUCKNOW

Date of Order: 14.02.2023

PRESENT:

Hon'ble Shri Raj Pratap Singh, Chairman

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

IN THE MATTER OF: Petition under section 86(1)(b) and other applicable provisions of the Electricity Act, 2003 for seeking approval to initiate bid process for long term Procurement of 500 MW of power from hydro power Projects through competitive bidding process, bidding documents including PPA and the deviations in the documents for invitation of e-Tender for procurement of 500 MW of power from hydro Power projects, for meeting the requirement of DVVNL, MVVNL, PuVVNL and PVVNL.

Uttar Pradesh Power Corporation Ltd. (UPPCL),
(Through its Chief Engineer-Planning),
3rd Floor, Shakti Bhawan Extn., 14-Ashok Marg, Lucknow-226001

..... **Petitioner**

The following were present:

1. Sh. Deepak Raizada, C.E.(PPA), UPPCL
2. Sh. Naeem Khan, S.E., UPPCL
3. Sh. Ayush Singh, E.E., UPPCL
4. Sh. Avinash Kumar, A.E., UPPCL
5. Sh. Mohit Goyal, Consultant, UPPCL

ORDER

(Date of Hearing 25.01.2023)

1. The Commission vide order dated 21.09.2022 approved the quantum of 500 MW power from hydropower projects through the competitive bidding process. Further, the Commission directed UPPCL to upload the bidding documents on its website and conduct a pre-bid meeting with the project developers and thereafter, any deviation required in the bidding documents shall be place before the Commission for approval. On 21.11.2022, UPPCL filed its submission in compliance to the Commission's order dated 21.09.2022.

The matter came up for hearing toady.



2. During the proceeding, Sh. Deepak Raizada on behalf of UPPCL submitted that pre-bid meeting was conducted on 11.10.2022 wherein PTC India Ltd. participated, and Teesta Urja Ltd. & NTPC Vidyut Vyapar Nigam Ltd. have raised their queries on emails. PTC India Ltd. & NTPC Vidyut Vyapar Nigam Ltd. have requested to allow trading licensee to participate in the bid whereas Teesta Urja Ltd. has query related to payment security mechanism.
3. On specific query of the Commission, Sh. Raizada responded that as per clause 11.6.1 of the draft PPA, there is penalty of 25% of the fixed charges in the event for shortfall in supply of power from the contracted capacity. The Commission suggested UPPCL to keep **Power Exchange RTC rate of the day plus ₹ 1 (one) per unit** as penalty for shortfall in supply of power from the contracted capacity.
4. Further, the Commission noted that HPO benefit would not be available to the power supplied through Trader from outside country. Therefore, it may not be a level playing field w.r.t. power supplied with HPO benefit. Sh. Mohit Goyal responded that segregation of quantum of hydropower may be done for imported & domestic hydropower source.
5. After hearing, the Commission allows segregation of quantum (500 MW) of hydropower for imported & domestic hydropower source appropriately with option of fungibility i.e., in case of non-availability of domestic hydro power, the requested quantum of domestic hydropower may be procured from imported hydro power.

The Petition is dispose of with above directions.

(Vinod Kumar Srivastava)
Member

(Raj Pratap Singh)
Chairman

Place: Lucknow
Dated: 14 .02.2023