



Delhi Electricity Regulatory Commission

Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi – 110017.

F.11(2076)/DERC/2022-23/7668

Petition No. 07/2023

In the matter of : Petition under Section 63, Section 86(1)(b) of the Electricity Act, 2003 for approval for procurement of power on Short Term Basis through Tariff Based Competitive bidding process as per the 'Guidelines for short Term (i.e. for a period of more than one day to one year) Procurement of Power by Distribution Licensees through Tariff Based bidding process' issued by the Gol as amended from time to time, to ensure availability of sufficient power during the summer season of 2023, approval for variance, adoption of tariff discovered under competitive Bidding Process and issuance of Letter of Acceptance.

Tata Power Delhi Distribution Ltd.

Petitioner

Coram:

Hon'ble Dr. A. K. Ambasht, Member

Appearance:

1. Mr. Buddy A Ranganadhan, Adv. TPDDL
2. Mr. Anand Srivastava, Adv. TPDDL

ORDER

(Date of Order: 23.02.2023)

1. The Instant Petition has been filed by Tata Power Delhi Distribution Ltd. (TPDDL) for seeking approval for procurement of power on Short Term Basis through Tariff Based Competitive bidding process as per the 'Guidelines for short Term (i.e. for a period of more than one day to one year) Procurement of Power by Distribution Licensees through Tariff Based bidding process' issued by the Gol as amended from time to time, to ensure availability of sufficient power during the summer season of 2023, approval for variance, adoption of tariff discovered under competitive Bidding Process and issuance of Letter of Acceptance.
2. The Petitioner has made the following prayers in its Petition:
 - a. Approve the procurement of power for short term basis for quantum given in Table 6 in the Petition, through Tariff Based Competitive bidding process to ensure availability of sufficient power during the summer season of 2023;
 - b. Approve the variance made in the Invitation for Bids;
 - c. Approve adoption of tariff as discovered through the process of competitive bidding as given in the Annexure P-5 in the Petition;

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d. *Allow the Petitioner to issue Letter of Acceptance to the selected bidder(s) as sought in the present Petition.*

3. The Petitioner has submitted the following:

- i. The Petitioner in order to ensure sufficient power during the summer season of 2023, carried out the Surplus/Shortage scenario analysis based on the expected availability from the generators with long term PPAs. Based on the outcome of the analysis, it is expected that there will be some shortage of power from April 2023 to July 2023 months.
- ii. That whilst the Tariff Order for 2023-2024 is yet to be determined by the Commission, the guidance viz a viz shortfall and power procurement planning, can be taken from the power procurement approval in the Tariff Order dated 30.09.2021 passed by the Commission in Petition No. 03/2021 wherein the Commission had noted shortfall of 572 Mus for the year FY 2021-22. Accordingly, the present short term procurement is in line with the identified power procurement planning for the Petitioner Licensee.
- iii. The Petitioner published the Notice Inviting Tender (NIT) dated 13.01.2023 in five newspapers and the Request for Proposal (RFP) was published in DEEP portal as well as uploaded on Petitioner's website for wide publicity. In response to the NIT issued by the Petitioner following bidders participated in the reverse auction:
 - a. Adhunik Power & Natural Resources Limited (APNRL) through Tata Power Trading Company.
 - b. Sembcorp Energy India Limited (SEIL) through NTPC Vidyut Vyapar Nigim Limited.
 - c. JAYPEE Nigrie Super Thermal Power Plant through PTC India Ltd.
 - d. Nava Bharat Ventures Limited Odisha IPP (NBVL-IPP, Odisha) through Tata Power Trading Company.
 - e. GMR Warora Energy Limited through GMR Energy Trading Limited.
 - f. Jindal Power Limited (JPL) through PTC India Limited
 - g. Govt. of Himachal Pradesh (GoHP) share of power in various Hydro Electric Power Plants located in Himachal Pradesh though Tata Power Trading Company.
 - h. IL & FS Tamil Nadu Power Company Limited through NPC Vidyut Vyapar Nigam Limited.

- iv. The final quantum, rates & period of supply after the reverse auction conducted through DEEP Portal and the requirement of RTC Power by the Petitioner is provided herein below:

Details of bids submitted by the Bidders

Period of Supply: 01.04.2023 – 15.04.2023				
Petitioner's Requirement: 100 MW (RTC power)				
S. No.	Trader Name	Supplier	Bid Quantum (MW)	RA price (Rs. Unit)
1.	Tata Power Trading Company Limited(74187)	Adhunik Power & Natural Resources Limited (APNRL)	25	9.49
2.	NTPC Vidyut Vyapar Nigam Limited(74826)	Sembcorp Energy India Limited (SEIL)	25	9.50
Total Bid Quantum (MW)			50	

Period of Supply: 16.04.2023 – 30.04.2023				
Petitioner's Requirement: 200 MW (RTC power)				
S. No.	Trader Name	Supplier	Bid Quantum (MW)	RA price (Rs. Unit)
1.	TATA POWER TRADING COMPANY (74187)	Adhunik Power & Natural Resources Limited (APNRL)	25	9.49
2.	NTPC Vidyut Vyapar Nigam Limited(74826)	Sembcorp Energy India Limited (SEIL)	25	9.50
Total Bid Quantum (MW)			50	

Period of Supply: 01.05.2023 – 15.05.2023				
Petitioner's Requirement: 350 MW (RTC power)				
S. No.	Trader Name	Supplier	Bid Quantum (MW)	RA price (Rs. Unit)
1.	TATA POWER TRADING COMPANY (74187)	Adhunik Power & Natural Resources Limited (APNRL)	50	10.23
2.	NTPC Vidyut Vyapar Nigam Limited(74826)	Sembcorp Energy India Limited (SEIL)	25	10.50
Total Bid Quantum (MW)			75	

Period of Supply: 16.05.2023 – 31.05.2023				
Petitioner's Requirement: 500 MW (RTC power)				
S. No.	Trader Name	Supplier	Bid Quantum (MW)	RA price (Rs. Unit)
1.	TATA POWER TRADING COMPANY (74187)	Adhunik Power & Natural Resources Limited (APNRL)	50	10.23
2.	NTPC Vidyut Vyapar Nigam Limited(74826)	Sembcorp Energy India Limited (SEIL)	25	10.50
Total Bid Quantum (MW)			75	

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Period of Supply: 01.06.2023 – 15.06.2023				
Petitioner's Requirement: 500 MW (RTC power)				
S. No.	Trader Name	Supplier	Bid Quantum (MW)	RA price (Rs. Unit)
1.	TATA POWER TRADING COMPANY (74187)	Adhunik Power & Natural Resources Limited (APNRL)	50	9.97
2.	NTPC Vidyut Vyapar Nigam Limited(74826)	Sembcorp Energy India Limited (SEIL)	25	10.00
3.	PTC India Limited(74486)	JAYPEE Nigrie SuperThermal Power Plant (JNSTPP) located in MP	50	10.00
4.	TATA POWER TRADING COMPANY (74174)	Nava Bharat Ventures Limited Odisha IPP (NBVL-IPP, Odisha)	45	10.50
Total Bid Quantum (MW)			170	

Period of Supply: 16.06.2023 – 30.06.2023				
Petitioner's Requirement: 500 MW (RTC power)				
S. No.	Trader Name	Supplier	Bid Quantum (MW)	RA price (Rs. Unit)
1.	TATA POWER TRADING COMPANY (74187)	Adhunik Power & Natural Resources Limited (APNRL)	50	8.09
2.	GMR Energy Trading Limited(126539)	GMR Warora Energy Limited	25	8.09
3.	PTC India Limited(74486)	JAYPEE Nigrie SuperThermal Power Plant (JNSTPP) located in MP	50	8.15
4.	NTPC Vidyut Vyapar Nigam Limited(74826)	Sembcorp Energy India Limited (SEIL)	25	9.00
5.	TATA POWER TRADING COMPANY (74174)	Nava Bharat Ventures Limited Odisha IPP (NBVL-IPP, Odisha)	45	10.50
Total Bid Quantum (MW)			195	

Period of Supply: 01.07.2023 – 15.07.2023				
Petitioner's Requirement: 500 MW (RTC power)				
S. No.	Trader Name	Supplier	Bid Quantum (MW)	RA price (Rs. Unit)
1.	PTC India Limited (74485)	Jindal Power Limited (JPL) located in Chhattisgarh	200	7.34
2.	PTC India Limited(74486)	JAYPEE Nigrie SuperThermal Power Plant (JNSTPP) located in MP	50	7.34
3.	TATA POWER TRADING COMPANY (74187)	Adhunik Power & Natural Resources Limited (APNRL)	75	7.34
4.	GMR Energy Trading Limited(126539)	GMR Warora Energy Limited	25	7.34
5.	TATA POWER TRADING COMPANY (74244)	Govt. of Himachal Pradesh (GoHP) share of power in various Hydro Electric Power Plants located in Himachal Pradesh	100	7.45
6.	NTPC Vidyut Vyapar Nigam Limited(74826)	Sembcorp Energy India Limited (SEIL)	25	7.50

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7.	TATA POWER TRADING COMPANY (74174)	Nava Bharat Ventures Limited Odisha IPP (NBVL-IPP, Odisha)	45	8.00
8.	NTPC Vidyut Vyapar Nigam Limited(188996)	IL & FS Tamil Nadu Power Company Limited	400	8.14
Total Bid Quantum (MW)			920	

Period of Supply: 16.07.2023 – 31.07.2023				
Petitioner's Requirement - 300 MW (RTC power)				
S. No.	Trader Name	Supplier	Bid Quantum (MW)	RA price (Rs. Unit)
1.	GMR Energy Trading Limited(126539)	GMR Warora Energy Limited	25	7.33
2.	PTC India Limited (74485)	Jindal Power Limited (JPL) located in Chhattisgarh	150	7.33
3.	PTC India Limited(74486)	JAYPEE Nigrie SuperThermal Power Plant (JNSTPP) located in MP	50	7.33
4.	TATA POWER TRADING COMPANY (74187)	Adhunik Power & Natural Resources Limited (APNRL)	75	7.33
5.	TATA POWER TRADING COMPANY (74244)	Govt. of Himachal Pradesh (GoHP) share of power in various Hydro Electric Power Plants located in Himachal Pradesh	100	7.45
6.	NTPC Vidyut Vyapar Nigam Limited(74826)	Sembcorp Energy India Limited (SEIL)	25	7.50
7.	TATA POWER TRADING COMPANY (74174)	Nava Bharat Ventures Limited Odisha IPP (NBVL-IPP, Odisha)	45	8.00
8.	NTPC Vidyut Vyapar Nigam Limited(188996)	IL & FS Tamil Nadu Power Company Limited	300	8.14
Total Bid Quantum (MW)			745	

- v. Based on the above bids received, the Standing Committee has shortlisted the bidders for each fortnight between April 2023 to July 2023 for procurement of power under the Present Invitation for Bids (IFB). The alternate power procurement cost from Bawana is at incremental rate of around 16.71/- per unit & exchange prices have been capped by the Hon'ble Central Electricity Regulatory Commission (CERC) at Rs. 12/- per unit. The Petitioner further submitted that during the peak hours, even by bidding at Rs. 12/- per unit, the Petitioner is not able to procure the full quantum of power required during summer season of 2023 from the power exchanges. In view of these circumstances and reasons, the approval for procurement of power above the ceiling rate is of utmost necessity to provide steady electricity to the consumers of the Petitioner. The following quantum for purchase of short term power:

Requisite quantum of purchase of short term power

Month	April 2023		May 2023		June 2023		July 2023	
Fortnight	FF	SF	FF	SF	FF	SF	FF	SF
Short Term Power	Nil	50	75	75	170	195	250	25

vi. The entire tendering process provided under the IFB, is subject to the due approval of the Commission as sought under the present Petition. The table below enumerates the variance from the tentative timelines provided under the guidelines and other documentational variance and justification thereof. The Petitioner beseeches the Commission to allow the following variance in order to initiate the procurement process from the L1 Bidders for the respective period of supply as detailed herein above.

Variance from tentative timelines provided under Annexure 1 of the Short Term Guidelines and Justifications

S.No.	Existing Provisions (as per Short Term Guidelines)	Deviation made by the Petitioner (as per IFB)	Justification
1.	Annexure-1, Sr. No. 2 Submission of RFP will be within 4 days from the Zero Date (i.e. by 17.01.2023)	Last date for submission of RFP including the EMD is 07.02.2023 (24 days from Zero Date).	To increase the competitiveness and responsiveness to the IFB based on experience of the Petitioner in the previous bidding exercise.
2.	Annexure-1, Sr. No. 3 Opening of non-financial technical bids will be within 5 days of Zero Date (i.e. by 18.01.2023)	Date of opening of non-technical financial bid is 07.02.2023 (24 days from Zero Date)	To increase the competitiveness and responsiveness to the IFB based on experience of the Petitioner in the previous bidding exercise.
3.	Annexure-1, Sr. No. 4 Clarification, if any, sought from the bidders will be within 6 days from the Zero Date (i.e. by 19.01.2023)	Last date for seeking clarification, if any, by the bidders is 08.02.2023 (25 days from Zero Date)	To increase the competitiveness and responsiveness to the IFB based on experience of the Petitioner in the previous bidding exercise.
4.	Annexure-1, Sr. No. 6 Opening of IPO and Start of e-RA will be within 8 days from the Zero Date (i.e. by 21.01.2023)	Date of opening of IPO and start of e-RA is 10.02.2023 (27 days from Zero Date)	To increase the competitiveness and responsiveness to the IFB based on experience of the Petitioner in the previous bidding exercise.
5.	Annexure-1, Sr. No. 7 Issuance of LOA and submission of signed LOA will be within 9 days from the Zero Date (i.e. by 22.01.2023)	Issuance of LOA and submission of signed LOA will be after receipt of approval by DERC	To increase the competitiveness and responsiveness to the IFB based on experience of the Petitioner in the previous bidding exercise.
6.	Annexure-1, Sr. No. 8 Signing of PPA will be within 10 days from the	Clause 15 LOI will be issued to selected bidders. No	To increase the competitiveness and responsiveness to the IFB

	Zero date (i.e. by 23.01.2023	separate PPA will be signed by the Petitioner in this regard.	based on experience of the Petitioner in the previous bidding exercises.
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vii. That Short Term Guidelines under Clause 7.17 provides that the Procurer shall execute a PPA with the selected bidder(s) within 15 days from close of e-RA, however, in order to expedite the procurement process and reduce the logistical redundancies, the Petitioner has adopted the approach of incorporating the mandatory clauses in the LOA itself and duly execute such LOA to ensure that LOA is a binding document between the parties, for the performance of the contract. The execution of LOA as a binding contract ensures that the procurement process is concluded at the earliest and also avoids any delay due to multiplicity of documents. Accordingly, the Petitioner beseeches this Commission to allow execution of LOA with the mandatory clauses as a binding contract between the parties.

COMMISSION ANALYSIS

4. The instant petition is filed for approval on procurement of upto 250 MW Short-Term power from April 2023 to July 2023 and adoption of Tariff discovered through the process of competitive bidding as per the short term guidelines issued by Govt. of India. The Tariff discovered is at DEEP-Portal. DEEP portal is an e-Bidding and e-Reverse auction portal developed by MSTC/ PFC under initiative of MoP, GoI for procurement of Power on Short Term and Medium term basis.
5. Further, in the tender, it is indicated that the delivery point of power shall be NR periphery. Open Access Charges, Transmission Charges & Losses, Scheduling Charges, Operating Charges, Application fee of respective Load Despatch Center upto the delivery point shall be borne by participating Generators/Traders.
6. During the hearing dated 21.02.2023, the Petitioner submitted that there is certain shortfall with respect to the demand over and above the medium-term supply tender issued by them. Petitioner confirmed that the shortfall certificate from the SLDC will be submitted by them today itself. Further, in compliance to Interim Order dated 21.02.2023, the Petitioner submitted the SLDC Certified anticipated Demand Supply Scenario on 21.02.2023.

7. The Power quantum, discovered rates and period of supply after e-reverse auction at DEEP Portal is given para 3(iv). The quantum for purchase of short term power is given at para 3(v).
8. The price discovered through competitive bidding process at DEEP portal is in the range of Rs. 7.33 / kWh to Rs. 10.5 / kWh for the Period from 15th April to 31st July, 2023.
9. Further, the Petitioner has sought approval of six variances from tentative timelines provided under MoP, Gol Guidelines dated 30/03/2016 & subsequent amendment thereof, which is submitted at table 7 of the instant Petition & the same is mentioned at para 3(vi). In order to increase the competitiveness and responsiveness to the IFB, a deviation is sought by Petitioner on LOA which will be issued to selected bidders and the same will be a binding contract between the Parties .
10. In view of above, considering demand-supply scenario certified by SLDC, the Commission grants approval on the following
 - (i) for procurement of short term power from April 2023 to July 2023 for Power quantum as given at 3 (v) to the successful bidder mentioned at 3 (iv) above;
 - (ii) six variances as sought by the petitioner at 3 (vi) above from the short-term Procurement of Power Guidelines issued by Government of India;
 - (iii) Execution of LOA in lieu of Power Purchase Agreement

However, if this arrangement fails, it shall be the sole responsibility of the Petitioner to procure & supply power to its consumers at the Tariff discovered in the said bidding process and additional liability, if any, for this quantum of power, shall not be pass through in Aggregate Revenue Requirement (ARR) of FY 2023-24. This approval is further subject to condition that any surplus power available with TPDDL during Summers of FY 2022-23 be first utilized within Delhi as required by other DISCOM under Inter DISCOM Transfer (IDT) mechanism.

11. Ordered accordingly.

Sd/-
(Dr. A.K. Ambasht)
Member