



Delhi Electricity Regulatory Commission
Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi – 17.

No. F.11(1970)/DERC/2022-23/7368

Petition No. 21/2022

In the matter of: Petition u/s 86 read with section 63 of the Electricity Act, 2003 seeking adoption of tariff discovered through E-DEEP portal of MSTC/PFC as per MOP guidelines for purchase of power up to 200 MW from various traders/generators and for the approval of the agreements entered thereto in terms of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017 read with 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.

BSES Rajdhani Power Limited

.... Petitioner

Versus

Manikaran Power Ltd. & Ors.

..Respondents

Coram:

Hon'ble Shri Justice Shabihul Hasnain 'Shastri', Chairperson
Hon'ble Dr. A. K. Ambasht, Member

Appearance:

1. Mr. Buddy A Ranganathan, Advocate, BRPL
2. Mr. Hasan Murtaza, Advocate, BRPL

ORDER

(Date of Order: 13/04/2022)

1. The Instant Petition has been filed seeking adoption of the tariff discovered by the Petitioner for procurement of Short-term power and the approval of the Letters of Intent (LOI) issued to the Respondents, i.e, the successful bidders. In the said LOIs it was made clear that the LOIs were subject to the approval of the Commission and that upon such confirmation, they would be treated as binding Power Purchase Agreements entered into for procurement of power by the Petitioner from the Respondents.
2. The Petitioner has made the following prayers in its Petition:
 - a. Admit the present Petition.
 - b.1) Adopt the discovered weighted average tariff of Rs. 6.04/ kWh, as the case may be, as per Annexure P-1 of the Petition; and

b. 2) Approve the Letters of Intent dated 11.04.2022 issued to the Respondents (as per Annexure P-6 (Colly));
under Section 63 of the Electricity Act, 2003 for procurement of power by the Petitioner from the Respondents and pass a suitable order in this regard.

3. The Petitioner submits the following:

- i. That the Commission is required under Section 63 of the Electricity Act, 2003 to adopt the tariff determined through a competitive bidding process in accordance with the guidelines issued by the Central Government. Even otherwise, the Tariff Regulations issued by the Commission, require short term procurement to be done by way of a transparent bidding process.
- ii. It has conducted the bidding process in consonance with the MoP Guidelines and the generally accepted practices and hence has submitted to the Commission to adopt the present tariff and approve the LOIs which have been issued and accepted pursuant to the bidding process.
- iii. The requirement to procure short term power has arisen on account of factors beyond the control of the Petitioner. However, despite the same, the consumers of Delhi stand to benefit on account of this procurement inter-alia on account on the facts stated as under:

Sr.No.	Utility	Event No.	Date of e-RA	Period	Tender Quantum	Tender Results Rs/kWh	Delivery Point
1.	Haryana	Short/21-22/RA/24	31.03.22	01.04.22-30.09.22	750	6.2-11.00	State PP
2.	MSEDCL	Short/21-22/RA/21	30.03.22	01.04.22-30.06.22	700	11.86-11.96	State PP
3.	Tamil Nadu	Short/21-22/RA/17	30.03.22	01.04.22-31.05.22	1000	9.00-9.95	TN PP
4.	Maharashtra	MSEDCL/LTD/Short/22-23/RA/2	10.03.22	15.03.22-31.05.22	500	6.99	Maharashtra
5.	Tamil Nadu	Tangedco/short/ET20/222	08.03.22	14.03.22-20.05.22	Up to 1000	6.39-9.5	Tamil Nadu PP
6.	BRPL	BSES/Short/21-22/RA/126	11.03.22	01.04.22-30.09.22	Up to 200	6.04	BRPL PP

- iv. The tariff at which the Petitioner will be able to procure power is market aligned and is one of the most competitive. Therefore, it is not only in the Petitioner's interest but also in the interest of consumers at large that the Commission may be pleased to approve the present Petition in the terms prayed.

4. A mention has been made on 12/04/2022 by the Petitioner to take up the matter for urgent listing and the Order in the same was reserved by the Commission vide Interim Order dated 12/04/2022. Further, the matter was taken into Administrative Side and accordingly, an urgent Commission meeting was held on 13/04/2022.

Commission Analysis

5. That the instant Petition is filed for adoption of weighted average Tariff of Rs. 6.04/kWh and approval on LOI dated 11/04/2022 for procurement of Power upto 200 MW from various Traders/ Generators. 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, Gol for procurement of Power on Short Term and Medium term basis.
6. Guideline No. 7.1 of MoP Guidelines, dated 30/03/2016 mandates minimum participation of 2 bidders to ensure competitiveness. It is observed that 3 nos. of Bidders participated in the tender from 7 sources and the Petitioner conducted the Reverse Auction on 11/3/2022.
7. Further, the queries related to Demand Supply Analysis, Hourly pricing for the past 1 month at Power Exchange, Tender results for other States were sought from the Petitioner and response on the same was submitted by them.
8. The Petitioner has submitted that they are anticipating shortage of power in the summer months of FY 2022-23 and not able to arrange up to 177 MW of power, as they were not the L1 bidder in HPSEB tender and MP Banking tender for 200 MW RTC Power LOI is not yet issued. Meanwhile, MoP reallocated MP's Power of up to 600 MW to Gujarat and Maharashtra. Therefore, the Petitioner decided to procure short term power by way of a transparent bidding process and in accordance with the MoP Guidelines. The Petitioner invited bids by way of Tender No. Head (PMG) /BRPL/E Tender/2021-22/1198 dated 14/02/2022 for procurement of upto 200 MW of power for the period from 1st April, 2022 to 30th September, 2022.
9. The replies submitted by the Petitioner were analyzed along with the Petition as follows:
 - a) The prices discovered by BRPL is quite competitive and less than the with past one month IEX prices, tabulated as follows, considering hourly prices at IEX from 11/03/2022 to 11/04/2022:

Rs. /kWh			
Period	IEX Rates at N2 Region	IEX Rates at BRPL Periphery *	Discovered at DEEP by BRPL
RTC	9.27	9.69	5.99
0-3	10.01	10.43	6.73
21-24	10.55	10.97	8.31

* BRPL added approx. 42 Paise to N2 rates in order to arrive prices at their periphery

- b) Three Bidders (3) participated in the Tender from 7 sources as follows:
 - Manikaran Power Ltd. + IL&FS Tamil Nadu
 - TPTCL + BLA Power

- TPTCL + GoHP through various Hydro stations
- PTC India Ltd. + Shree Cement Limited
- TPTCL + NBVL Odisha
- TPTCL + NBEIL
- TPTCL + JPL

c) The summary of successful bids are as follows:

Generator Name	Trader Name	Power Schedule	Duration	MW	Quantum (MU)	Amt (Rs. Cr)	Rate (Rs./ kWh)
ILFS	Manikaran	RTC	May'22 (1 st FN) to Jul'22 (1 st FN)	Upto 200	365	219	5.99
KSK	Manikaran	RTC	Jul'22 (2 nd FN)	25	10	6	5.98
Jindal	TATA	Peak Slots (21:00 to 03:00)	Apr'22 (2 nd FN) to Jul'22 (1 st FN)	25	14	10	7.52
Total Tender-2 (at BRPL Periphery)					388	235	6.04

10. Further, in the Letters of Intent (LOIs), it is indicated that the delivery point of power shall be the Petitioner's (BRPL) periphery. Open Access Charges, Transmission Charges & Losses, Scheduling Charges, Operating Charges, Application fee of SLDC upto the delivery point shall be borne by participating Generators/Traders. Hence, the Tariff discovered is competitive as compared to short term power rates discovered in Tender of other States, as stipulated in 3 (iii).
11. In view of above, the Commission grants approval to the Petitioner for the Letters of Intent dated 11/04/2022 issued to the respondents and to the Weighted Average Tariff of Rs. 6.04/kWh at BRPL periphery discovered through participation of various bidders at DEEP portal. 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 2022-23. This approval is further subject to condition that any surplus power available with BRPL during Summers of FY 2022-23 be first utilized within Delhi as required by other DISCOM under Inter DISCOM Transfer (IDT) mechanism.
12. Ordered accordingly.

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

Sd/-
(Justice Shabihul Hasnain 'Shastri')
Chairperson