



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

F.11(2284)/DERC/2024-25/8300

Petition No. 65/2024

In the matter of: **Petition under Section 63 and 86(1)(b) of the Electricity Act, 2003 for approval of 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 Ministry of Power, Government of India, as amended from time to time, to ensure availability of sufficient power during the summer season of 2025, approval for variance, adoption of tariff discovered under Competitive Bidding Process and issuance of Letter of Award.**

Tata Power Delhi Distribution Ltd.

.... Petitioner

Coram:

Justice (Retd.) Jayant Nath, Chairperson
Sh. Ram Naresh Singh, Member
Sh. Surender Babbar, Member

Appearance:

Mr. Buddy A. Ranganadhan, Sr. Advocate, TPDDL
Mr. Anand K. Srivastava, Advocate, TPDDL

ORDER

(Date of Order: 06.01.2025)

1. The instant Petition has been filed by Tata Power Delhi Distribution Ltd. for seeking approval for procurement of power on Short Term Basis through Tariff Based Competitive Bidding Process (TBCB 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' dated 30.03.2016 ("Short Term Guidelines") issued by the Ministry of Power (MoP), Government of India as amended from time to time, to ensure availability of sufficient power during the summer season of 2025, approval for variance, adoption of tariff discovered under competitive Bidding Process and issuance of Letter of Award. (LoA).
2. The Petitioner has made the following prayers in its Petition:
 - i. Approve the Procurement of power from short-term basis for quantum given in Table -3 of the instant petition, through tariff based competitive bidding process to ensure availability of sufficient power during the summer season of 2025.

- ii. Approve the variance made in the Invitation for Bids;
- iii. Approve adoption of tariff as discovered through the process of competitive bidding;
- iv. Allow the Petitioner to issue Letter of Award to the selected bidder(s) as sought in the present Petition.

Petitioner's Submissions

- 3. The Petitioner has submitted the following:
 - i. The Petitioner, Tata Power Delhi Distribution Limited ("TPDDL"/ "Petitioner") is a joint venture of the Tata Power Company Limited ("TPCL") and the Government of NCT of Delhi ("GNCTD") with 51% majority shareholding being with TPCL. The Petitioner is a company incorporated under the Companies Act, 1956 and engaged in the business of distribution of electricity within its licensed area in NCT Delhi.
 - ii. The Petitioner, in order to ensure sufficient power during the summer season of 2025, 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 May 2025 to September 2025. During FY 24-25, Delhi's power demand during the summer season had reached an all-time high and breached the mark of 8656 MW in the month of June. There have been instances where the heatwaves have been hovering upon the city for prolonged periods of time during summer seasons leading to immense addition to the peak demand. As the temperature levels as well as the humidity levels soar in the city, the cooling facility besides reliable power supply, is no more a luxury but a lifesaving amenity. The consumption curve and the weather data analysis show that Delhi's energy requirement is indeed facing an upward spiralling curve.
 - iii. The summary of the shortage during the above-mentioned period i.e., from May 2025 to September 2025 showing the scale of power to be tied up to meet the demands of the consumers of the Petitioner is given below for easy reference:

Table 1: Shortage (-) Scenario during Summer 2025 (MW)

Month	April		May		June		July		August		September	
Fortnight	FF	SF	FF	SF	FF	SF	FF	SF	FF	SF	FF	SF
Shortage Upto (-) (MW)	0	0	150	601	532	643	347	428	309	444	323	200

Note: FF – First Fortnight, SF – Second Fortnight

- iv. That whilst the Tariff Order for 2024-2025 is yet to be determined by the Commission, the guidance vis-a-vis shortfall and power procurement planning can be taken from the power procurement approved in the Tariff Order dated 30.09.2021 passed by the Commission in Petition No. 03/2021 ("Petitioner's Tariff Order for 2021-22") wherein the Commission had noted shortfall of 572 MUs for the year FY 2021-22. However, based on the current demand supply scenario of the Petitioner, shortfall for the summer season of 2025 is upto 600 MW and, accordingly, the Petitioner proposes to arrange the required power through the instant Request for Proposal ("RfP"). The total quantum proposed to be procured by the Petitioner is around 986 MUs for the period of May 2025 to September 2025 at a weighted average rate of Rs. 6.48/- per unit, which is a combination of RTC + Peak Hour procurement. Accordingly, the present short-term procurement is in line with the identified power procurement planning of the Petitioner.
- v. The Petitioner in terms of Clause 5.4 read with Clause 21.4 of its License issued by the Commission is required to purchase the energy required by it for distribution and retail supply *inter-alia* in an economical manner and under a transparent power purchase or procurement process.
- vi. That even the 'Guidelines for Resource Adequacy Planning Framework of India' ("Resource Adequacy Guidelines") issued by the Government of India mandate that resource planning needs to be done for short term/ medium term and long-term basis. Moreover, the Resource Adequacy Guidelines are to be followed by all the institutions and stakeholders.
- vii. The Resource Adequacy Guidelines impose a duty upon the DISCOMs to tie up sufficient capacity to meet the demands of its consumers. Further, the Resource Adequacy Guidelines provide that the capacity for which the DISCOMs shall tie up should be a judicious mix of long-term, medium-term and short-term contracts to ensure security of reliable supply of power to the consumers. The Resource Adequacy Guidelines provide that procurement actions for resource adequacy must be taken up by the DISCOMs in a timely manner so that generation capacity becomes available well before its requirement to meet the projected growth.
- viii. Further, the Commission vide its order dated 19.07.2024 for approval of True Up for FY 2020-21 of the Petitioner in Para 2.163 observed that:

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2.163. ...The Commission has also directed the DISCOMs vide its letter dated 21/10/2009 that they should endeavour to provide uninterrupted power supply to the consumers in their respective areas. The licensees

shall ensure that electricity which could not be served due to any reason what-so-ever (including maintenance schedule, break-downs, load shedding etc.) shall not exceed 1% of the total energy supplied by them in any particular month except in cases of force-majeure events which are beyond the control of the Licensee.”

- ix. The Commission was pleased to accord approval for procurement of short-term power vide its order dated 23.02.2023 in Petition No. 07 of 2023, filed by the Petitioner herein, to ensure sufficient availability of power during the summer season of 2023. Similarly, the Commission was pleased to accord approval for procurement of power on short-term basis vide its order dated 15.12.2023 in Petition No. 47 of 2023, filed by the Petitioner herein, in order to ensure sufficient availability of power during the summer season of FY 2024-25.
- x. The Petitioner is hereby intending to procure power on short-term basis for the summer season of 2025 to ensure uninhibited supply of electricity to the consumers of the Petitioner. Non-approval of procurement of power sought through the present Petition may lead to non-availability of 24x7 uninterrupted power supply as well as may result in power shortages and power cuts.
- xi. The Petitioner in order to meet the higher summer demand in 2025, issued RfP vide Tender Enquiry No.-Tata Power-DDL/PMG/ Tender/Power/Purchase-2024-25/01 dated 25.10.2024 for procurement of up to 300 MW Round the Clock ("RTC") power through TBCB process as per the Short Term Guidelines on DEEP Portal with due intimation to the Commission as well as to the Chairperson (DPPG)/ GM (C&RA) of Delhi Transco Limited ("DTL").
- xii. In response to the RfP issued by the Petitioner, following bidders procuring power from the following sources participated in the reverse auction:
 - a. Shree Cement Limited ("SCL") (74158) through SCL Thermal Power Plant connected with CTU.
 - b. SCL (75669) through SCL Captive Power Plant connected with STU.
 - c. RPG Power Trading Company Limited (74166) through Suryadev Alloys and Power Private Limited.
 - d. Tata Power Trading Company (74174) through Nava Bharat Ventures Limited Odisha-IPP (NBVL-IPP, Odisha)
 - e. Tata Power Trading Company (74188) through Nava Bharat Energy India Limited (NBEIL).
 - f. Tata Power Trading Company (74185) through Anuppur Thermal Power Plant of MB Power (Madhya Pradesh) Limited.

- g. PTC India Limited (74475, 74476 and 74485) through Meenakshi Energy Limited (MEL).
 - h. PTC India Limited (74486, 74488 and 74489) through Government of Himachal Pradesh's share of power in various Hydro Electric Power Plants located in Himachal Pradesh.
 - i. NTPC Vidyut Vyapar Nigam Limited (74618) through Jaypee Bina Thermal Power Plant (JBTPP).
 - j. NTPC Vidyut Vyapar Nigam Limited (188988) through Jaypee Nigrie Super Thermal Power Project.
 - k. Adani Enterprises Limited (336452 and 335680) through Adani Power Limited Raipur TPP.
 - l. Adani Enterprises Limited (91600) through Adani Power Limited Raigarh TPP.
 - m. Adani Enterprises Limited (91094) through Mahan Energen Limited U#2.
 - n. Ambitious Power Trading Company Limited (416716) through Jindal Power Limited, Simhapuri Unit.
 - o. Ambitious Power Trading Company Limited (376413) through Jindal Power Limited, Tamnar.
 - p. GMR Energy Trading Limited (509563) through GMR Bajoli Holi Hydropower Private Limited.
 - q. GMR Energy Trading Limited (126539) through Maa Durga Thermal Power Corporation Limited.
- xiii. That based on the bids received during the e-RA, the Standing Committee of the Petitioner has shortlisted the bidders for each fortnight between April'2025 to September' 2025 for procurement of power under the RfP.
- xiv. That there exist exceptional circumstances to prepare for the summer season of 2025, which necessitates procurement of power above the ceiling rate of Rs 5.00/- per unit. Further, it is submitted that the alternative power procurement from PPS-III, Bawana CCPP is available at an incremental rate of around Rs. 12.04/- per unit w.e.f. 01.12.2024 as per communication received from Delhi SLDC /Bawana CCPP and the exchange prices have been capped by the Hon'ble Central Electricity Regulatory Commission ("CERC") at Rs.10/-.
- xv. Moreover, during the peak hours, even by bidding at Rs. 10/- per unit, the Petitioner may not be able to procure the full quantum of power required during summer season of 2025 from the Power Exchanges owing to less clearances. In view of these circumstances and reasons, the approval for procurement of power above the ceiling rate of Rs 5/- per unit is of utmost necessity to provide steady electricity to the consumers of the Petitioner.

xvi. In view of the aforesaid, the Petitioner has filed the present Petition for approval of purchase of following quantum of short-term power:

Table-3: Requisite Quantum of Purchase of Short-Term Power

Month	April		May		June		July		August		September	
Fortnight	FF	SF	FF	SF	FF	SF	FF	SF	FF	SF	FF	SF
(1) RTC (0-24 hrs) (MW)	0	0	100	200	250	250	250	150	100	100	100	50
(2) Peak (0-4 & 14-24 Hrs) (MW)	0	0	150	150	300	300	300	200	200	200	100	50
Approval Sought (1+2) MW	0	0	250	350	550	550	550	350	300	300	200	100

xvii. That the entire tendering process provided under the RfP is subject to the due approval of the Commission as sought under the instant Petition. The table below enumerates the variance from the tentative timelines provided under the Short-Term Guidelines and other documentational variance and justifications thereof. The Petitioner beseeches the Commission to allow the following variance in order to initiate the procurement process from the selected bidders for the respective period of supply as detailed herein above.

Table 4: Variance from Short-Term Guidelines and the tentative timelines provided under Annexure I thereof with Justifications

S. No.	Existing Provisions (as per Short-Term Guidelines)	Deviation made by the Petitioner (as per RfP)	Justification
1.	6.4(vi)(f) Payment term/Payment security to be made available by the Procurer. The Procurer(s) may be required to provide revolving Letter of Credit (LC) equivalent to 100% of the weekly energy corresponding to Contracted Capacity at the tariff indicated in PPA. LC shall be opened prior to commencement of supply of power	24. Tata Power-DDL shall provide Letter of Credit (LC) equivalent to 100% of the weekly energy corresponding to Contracted Capacity at the tariff indicated in LOA. LC shall be opened before commencement of supply of power. The LC shall be operated only in case Tata Power-DDL fails to make payment after a period of 30 days from the bill due date.	For the purpose of simplicity in interpretation and operation of Payment Security Mechanism.
2.	6.5. The RfP shall provide the maximum period within which the selected bidder(s) must commence supplies after the	Note: Since there is no separate PPA, the maximum period within which bidders must commence supply after PPA becomes effective, has not been specified.	Since this is a short term procurement and time is of the essence LoA is being issued by Utility, which will be the binding contract. Accordingly, there is no substantive benefit or requirement for Utility to have

	PPA becomes effective, subject to obligations of the Procurer being met.		an additional requirement of a PPA.
3.	7.13. The Procurers shall have the right to issue Letter of Award (LoA) to the Successful Bidder(s) [Selected Bidder(s)] in the same order to fulfil its requirement, which can be lower than the Requisitioned Capacity <i>but not less than the quantum of Lowest Bidder</i> . In the event Procurer rejects or annuls all the bids, it may go for fresh Bids hereunder. <i>In case the Procurer fails to issue the LoA within a period of 15 days from the close of e-Reverse Auction, the Successful Bidder(s) shall have the option to exit without forfeiting the EMD.</i>	14.3 Tata Power-DDL shall have the right to issue Letter of Award (LoA) to the Successful Bidder(s) [Selected Bidder(s)] in the same order to fulfil its requirement, which can be lower than the Requisitioned Capacity. In the event Tata Power-DDL rejects or annuls all the Bids, it may go for fresh Bids hereunder. In case Tata Power –DDL fails to issue the LoA within the offer validity period, the Successful Bidder(s) shall have the option to exit without forfeiting the EMD.	Since this is a short term procurement and time is of the essence, LoA is being issued by Utility, which will be the binding contract. Accordingly, there is no substantive benefit or requirement for Utility to have an additional requirement of a PPA.
4.	7.16. After selection, a Letter of Award (the "LOA") shall be issued, in duplicate, by the Procurer to the Selected Bidder(s) and the Selected Bidder(s) shall, sign and return the duplicate copy of the LOA in acknowledgement thereof. In the event the duplicate copy of the LOA duly signed by the Selected Bidder(s) is not received by the stipulated date, the Procurer may, unless it consents for extension of time for submission thereof, forfeit the EMD of such Bidder as Damages on account of failure of the Selected Bidder(s) to acknowledge the LOA.	14.6. After selection, a Letter of Award (the "LOA") shall be issued subsequent to Approval by Hon'ble DERC (as per requirement), by Tata Power-DDL to the Selected Bidder(s) and the Selected Bidder(s) shall, sign and return the copy of the LOA in acknowledgement thereof. In the event the copy of the LOA duly signed by the Selected Bidder(s) is not received by the stipulated date (7 days from issuance of LOA), Tata Power-DDL may, unless it consents for extension of time for submission thereof, forfeit the EMD of such Bidder as Damages on account of failure of the Selected Bidder(s) to acknowledge the LOA.	Since this is a short term procurement and time is of the essence, LoA will be issued by Utility after seeking approval of this Hon'ble Commission, which will be the binding contract.

5.	<p>11. Contract award and conclusion</p> <p>11.1. The PPA shall be signed with the Selected Bidder(s) consequent to the selection process.</p> <p>11.2. After the conclusion of bid process, the Standing Committee constituted for evaluation of RfP bids shall provide appropriate certification on conformity of the bid process evaluation according to the provisions of the RfP document. The Procurer shall provide a certificate on the conformity of the bid process to these Guidelines to the Appropriate Commission.</p> <p>11.3. For the purpose of transparency, the Procurer shall make the bids public by indicating the tariff quoted by all the Bidders, after signing of the PPA or PPA becoming effective, whichever is later. While doing so, only the name of the Successful Bidder(s) shall be made public and tariffs quoted by other Bidders shall be made public anonymously.</p> <p>11.4. If the quantum of power procured and tariff determined are within the blanket approval granted by the Appropriate Commission in Annual Revenue Requirement (ARR) of the respective year, then the same will be considered to have been</p>	<p>15. Contract award and conclusion</p> <p>LOA will be issued by Tata Power-DDL to the selected Bidders within the offer validity period. Issuance of LOA by Tata Power-DDL in line with the terms and conditions specified in this will be construed as a binding contract. No separate Power Purchase Agreement (PPA) will be signed by Tata Power-DDL in this regard. The Selected Bidder(s) shall not be entitled to seek any deviation, modification or amendment in the terms of LOA. The selected bidders shall send signed copy of LOA for records failing which necessary action will be taken as stipulated in MoP guidelines.</p>	<p>Since this is a short-term procurement and time is of the essence, LoA is being issued by Utility, which will be the binding contract. Accordingly, there is no substantive benefit or requirement for Utility to have an additional requirement of a PPA.</p>
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	<p>adopted by the Appropriate Commission.</p> <p>In all other cases, the Procurer(s) shall submit a petition to the Appropriate Commission for adoption of tariff within 2 days from the date of signing of PPA. Appropriate Commission should communicate the decision within 7 days from the date of submission of petition</p>		
6.	Annexure-I S. No. 2 Submission of RfP (on line digitally signed non-financial technical Bid and IPOs) – 4 days	<p>Last date of submission of RfP Bids including EMD (13:00 hours) – 19.11.2024.</p> <p>(24 days from Zero Date)</p>	To increase the competitiveness and responsiveness to the RfP based on experience of the Petitioner in the previous bidding exercises.
7.	Annexure-I S. No. 3 Opening of non-financial technical bids – 5 days	<p>Opening of non-financial technical bids – 19.11.2024.</p> <p>(24 days from Zero Date)</p>	To increase the competitiveness and responsiveness to the RfP based on experience of the Petitioner in the previous bidding exercises.
8.	Annexure-I S. No. 4 Clarification, if any, sought from the Bidders – 6 days	<p>Clarification, if any, sought from the Bidders – 21.11.2024.</p> <p>(26 days from Zero Date)</p>	To increase the competitiveness and responsiveness to the RfP based on experience of the Petitioner in the previous bidding exercises.
9.	Annexure-I S. No. 6 Opening of IPOs (upto 1300 hrs) and start of e-RA – 8 days	<p>Opening of IPOs (upto 09:30) & start of e-RA (10:00) – 22.11.2024.</p> <p>(27 days from Zero Date)</p>	To increase the competitiveness and responsiveness to the RfP based on experience of the Petitioner in the previous bidding exercises.
10.	Annexure-I S. No. 7 Issuance of LOA and submission of signed LOA – 9 days	<p>Issuance of LOA and submission of signed LOA.</p> <p>(After receipt of approval by DERC)</p>	To increase the competitiveness and responsiveness to the RfP based on experience of the Petitioner in the previous bidding exercises.
11.	Annexure-I S. No. 8 Signing of PPA – 10 days	LOA will be issued to selected bidders. No separate PPA will be signed by the Petitioner in this regard.	To increase the competitiveness and responsiveness to the RfP based on experience of the Petitioner in the previous bidding exercises.
12.	Annexure-I S. No. 9 Submission of Application for Open Access approval and Obtaining SLDC consent by the seller / purchaser.	14.6.... Bidder/trader will initiate the process of submission of Open Access application on behalf of Tata Power-DDL immediately after receipt of LOA.	Since this is a short-term procurement and time is of the essence, LoA is being issued by Utility, which will be the binding contract. Accordingly, there is no substantive benefit or requirement for Utility to have an additional requirement of a PPA.

- xviii. 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 closing 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 the 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 the Commission to allow execution of LoA with the mandatory clauses as a binding contract between the parties.
- xix. In view of the aforesaid and considering that the alternate power procurement is at incremental rate of around Rs.12.04/- per unit and the exchange prices have been capped by the Hon'ble CERC at Rs. 10/- and, further, during the peak hours, even by bidding at Rs. 10/- per unit, the Petitioner may not be able to procure the full quantum of power required during the summer season of 2025 from the Power Exchanges, it is procuring power to provide uninhibited supply to its consumers.

Additional Submissions

3. The instant petition was listed for hearing on 19.12.2024 whereby the Commission was pleased to grant liberty to the Petitioner to make additional submission in the captioned matter for further assistance of the Commission. In view of the same, the Petitioner has submitted the additional submission as follows:

A. Tariff determined under the bidding process is highly competitive and aligned to the market prices for similarly situated cases

- i. The Petitioner had floated the Request for Proposal ("RfP") for procurement of upto 300 MW round the clock/peak power through tariff based competitive bidding process as per Short-Term Guidelines on DEEP portal on 25.10.2024. After conclusion of e-reverse auction, the price discovered through competitive bidding process is in the range of Rs. 5 per unit to Rs. 8.79 per unit for the period of May 2025 to September 2025.
- ii. Notably, Uttar Pradesh Power Corporation Limited ("UPPCL"), West Bengal State Electricity Distribution Company Limited ("WBSEDCL"), Maharashtra State Electricity Distribution Company Limited ("MSEDCL") and BSES Rajdhani Power Limited ("BRPL") also carried out tariff based competitive bidding process as per Short Term Guidelines for period of May 2025 to September 2025. The price discovered through competitive bidding

process by (a) UPPCL is in the range of Rs 9.18 per unit to Rs 9.86 per unit (b) WBSEDCL is in the range of Rs 5.97 per unit to Rs 10 per unit, (c) MSEDCL is Rs 6.40 per unit and (d) BRPL is in the range of Rs 5.49 per unit to Rs 6.48 per unit. The tariff at which the Petitioner will be able to procure power is market aligned and is one of the most competitive.

B. The Commission has power to regulate procurement as well as adopt the tariff competitively discovered being the price at which electricity is to be procured.

- i. The Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017 ("Tariff Regulations") provides that distribution companies such as Petitioner for short term power requirement and procurement shall be guided by the Tariff Regulations in addition to the guidelines issued by the Central Government.
- ii. Under Section 86(1)(b) of the EA Act, State Electricity Regulatory Commission ("SERC") has been mandated to regulate procurement of power by a licensee including the price at which the electricity is being procured from the generating companies or from other sources through agreements for purchase of power for distribution and supply within the State.
- iii. That Hon'ble Supreme Court in matter of Jaipur Vidyut Vitran Nigam Ltd. v. MB Power (M.P.) Ltd., (2024) 8 SCC 513 held that Section 86(1)(b) of the Electricity Act gives ample power to SERC to regulate electricity purchase and procurement process of distribution licensees. It also empowers the SERC to regulate the matters including the price at which electricity shall be procured from the generating companies, etc. The relevant extract of Jaipur Vidyut (Supra) is reproduced herein below:

"105. We have already referred to Section 86(1)(b) of the Electricity Act, which is analogous to Section 79 of the Electricity Act. Section 79 determines the functions of Central Commission, whereas Section 86 provides for the functions of the State Commission. Section 86 of the Electricity Act empowers the State Commission to regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State.

106. It can thus be seen that Section 86(1)(b) of the Electricity Act gives ample power on the State Commission to regulate electricity purchase and procurement process of distribution licensees. It also empowers the State Commission to regulate the matters including the price at which electricity shall be procured from the generating companies, etc."

- iv. The Commission as well as other SERCs has earlier and in similar cases accorded its approval to procurement of power as well as the tariff discovered through competitive bidding process under Short-Term

Guidelines by exercising power under Section 86(1)(b) read with Section 63 of the EA Act.

Commission's Analysis

4. The instant Petition has been filed by TPDDL seeking approval for procurement of power on Short Term Basis through Tariff Based Competitive Bidding Process (TBCB 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' dated 30.03.2016 ("Short Term Guidelines") issued by the Ministry of Power (MoP), Government of India as amended from time to time, to ensure availability of sufficient power during the summer season of 2025, approval for variance, adoption of tariff discovered under competitive Bidding Process and issuance of Letter of Acceptance (LoA).
5. As per the submissions of the Petitioner, there will be some shortage of Power from May 2025 to September 2025. During FY 2024-25, Delhi's power demand during the summer season had reached an all-time high and breached the mark of 8656 MW in the month of June.
6. The Commission vide its email dated 26.12.2024 sought information like Demand supply gap during the period, Reason of variation from Short-term guidelines, DAM prices at IEX during the same period in FY 2023-24 & FY 2024-25, etc.
7. As per schedule, a meeting with the Petitioner was conducted on 27.12.2024 wherein the facts and figures of the Petition were deliberated and it was noted that:

i) Peak demand projected by TPDDL in June'24 as 2562 MW while SLDC projected the demand as 2548 MW.

ii) PPS-III Bawana allocation to TPDDL is 298 MW whereas TPDDL has considered 100 MW Power availability from said SGS in their Power Supply Position considering higher variable cost.
8. Based upon the submissions in the instant Petition and subsequent information received from the Petitioner, through emails, following has been observed:

a) Demand-Supply information for the period of May'2025 to September'2025 submitted by the Petitioner shows the following deficit:

Month	May'25		June'25		July'25		Aug'25		Sept'25	
Fortnight	FF	SF	FF	SF	FF	SF	FF	SF	FF	SF
Max. Demand as per TPDDL Projection (MW)	2006	2437	2447	2562	2250	2419	2163	2318	2207	2139

Month	May'25		June'25		July'25		Aug'25		Sept'25	
Max. Demand as per SLDC Projection (MW)	1897	2392	2407	2548	2293	2322	2024	2109	1982	2039
Shortage upto (MW) as per TPDDL Projection	150	601	532	643	347	428	309	444	323	200

FF- First Fortnight & SF- Second Fortnight

Maximum shortage is in the Second Fortnight of May to Second Fortnight of June.

b) The Petitioner further submitted that as per email from PPS-III dated 09.12.2024 (Annexed as P-9 of the Petition), ECR w.e.f. 01.12.2024 are as follows:

- (i) 0-320 MW (CCNG) = Rs. 5.509 /kWh
- (ii) 320-1020 MW = Rs. 12.039 /kWh on CC SPOT
- (iii) Open Cycle SPOT costing = Rs. 17.663 /kWh on OC SPOT

Resulting in average cost of Rs. 7.593/kWh which may vary due to deviations due to GCV, exchange rate fluctuations, etc.

c) Further, the Petitioner considered 30 MW from PPS-I and 11 MW from GTPS in power projection against the allocation of 64 MW & 26.7 MW respectively. State GENCOs Energy Charge Rate (ECR) for May'2024 to September'2024 are analyzed and it is observed that ECR of SGS are very high even more than the ceiling limit of Rs. 10/kWh on exchanges. The summary is as follows:

Energy Charge Rate (ECR) of Delhi SGS - Combined Cycle (Rs./kWh)					
Plant Name	May'24	Jun'24	Jul'24	Aug'24	Sept'24
PPS-I	10.92	10.79	10.75	10.60	10.97
PPS-III	7.49	9.03	7.08	5.81	5.92

d) On the basis of power shortage, the Petitioner proposed procurement of around 986 MU for the period of May'2025 to September'2025 from M/s NTPC Vidyut Vyapar Nigam Ltd., M/s Adani Enterprises Ltd. And M/s GMR Energy Trading Ltd. as follows:

Month	May		June		July		Aug		Sept	
Fortnight	FF	SF	FF	SF	FF	SF	FF	SF	FF	SF
RTC (MW)	100	200	250	250	250	150	100	100	100	50
Peak (MW)	150	150	300	300	300	200	200	200	100	50
Total (MW)	250	350	550	550	550	350	300	300	200	100

Note: RTC Power = 0:00 Hrs. to 24:00 Hrs. & Peak Power = 0:00 Hrs. to 4:00 Hrs. and 14:00 Hrs. to 24:00 Hrs.

- e) As per the above table, after considering the proposed Short-term Power Purchase during RTC (maximum upto 250 MW) and Peak Power (maximum upto 300 MW), there will be no major shortage during the tender period.
- f) The Petitioner further submitted a comparison sheet of discovered price in its Tender and price discovered by other DISCOMs which include WBSEDCL, UPPCL, MSEDCL, TANGEDCO, & BSES at DEEP Portal, as detailed below:

Month	Power	L1 Rates discovered in TPDDL	L1 Rates discovered in WBSEDCL	L1 Rates discovered in MSEDCL	L1 Rates discovered in UPPCL	L1 Rates discovered in BSES	L1 Rates discovered in TANGEDCO
May	RTC	6.11	6.12	6.40		6.48	
	Peak	7.37	10.00		9.61		9.96
Jun	RTC	6.11	5.97			5.76	
	Peak	7.60	10.00		9.48		
Jul	RTC	5.04				5.49	
	Peak	7.60			9.53		
Aug	RTC	5.48				5.49	
	Peak	7.45			9.52		
Sep	RTC	5.48				5.73	
	Peak	7.85			9.52		

Note: RTC Power = 0:00 Hrs. to 24:00 Hrs. & Peak Power = 0:00 Hrs. to 4:00 Hrs. and 14:00 Hrs. to 24:00 Hrs.

On examination of the same, it is observed that the prices discovered by the Petitioner are largely the lowest as in the case of other DISCOMs, the quantum of electricity purchased is substantially higher than that of the Petitioner.

- g) As per the Petition, Weighted average rates for 986 MU is Rs. 6.48/kWh at NR periphery. Over and above the discovered rates, various charges like Inter-State Transmission Charges, Intra-State Transmission Charges, SLDC charges, Operating Charges, Application fee, Transmission Losses etc. will be levied.
- h) Further, a comparison of discovered price with the DAM and RTM price at IEX in last two financial years are as follows:

In Rs./kWh

Month	Power	L1 Rates discovered in TPDDL	DAM Rate FY 24	DAM Rate FY 25	RTM Rate FY 24	RTM Rate FY 25
May	RTC	6.11	4.74	5.28	4.87	4.76
June	RTC	6.11	5.37	5.41	4.89	5.05
July	RTC	5.04	4.55	4.98	4.59	4.96
Aug	RTC	5.48	6.89	4.29	6.51	3.60
Sept	RTC	5.48	6.23	4.19	5.52	3.98

Note: RTC rates was from IEX, Peak Power rates was not readily available at IEX.

DAM= Day Ahead Market & RTM= Real Time Market

It is evident from the above table that average DAM and RTM price for RTC period is mostly lower, however, due to lower clearing ratio during Peak Power which can go as low as 6% in June'24 and as high as 64% in Sept'24, prior power arrangement

is advantageous. Summary of clearing ratio as submitted by the Petitioner is as follows:

Clearing ratio during 0:00-2:00 Hrs. & 18:00-24:00 Hrs		
Month	Average	Min
May'24 FF	39%	7%
May'24 SF	40%	8%
Jun'24 FF	43%	7%
Jun'24 SF	35%	6%
Jul'24 FF	52%	13%
Jul'24 SF	36%	7%
Aug'24 FF	51%	10%
Aug'24 SF	57%	11%
Sep'24 FF	64%	33%
Sep'24 SF	54%	21%

FF- First Fortnight & SF- Second Fortnight

- i) The Commission has analysed the deviations sought by the Petitioner in the instant Petition and following is observed:
- a. The deviation sought to the effect that the LOA to be issued to the selected bidders should be construed as a binding contract between the Parties, does not require any approval of the Commission since the modalities of the execution of the documents have to be seen by the Petitioner and the same is not a matter which is required to be pondered by the Commission. However, it would be in the fitness of the things that the Petitioner should execute a proper document of contract after issue of the LOA.
 - b. Further, the deviation sought by the Petitioner in respect of time periods for different stages of the processing of tenders, having already been notified, processed and finalized by the Petitioner, with such deviated time periods, no approval can be given at this stage, though in order to streamline the power procurement of the Petitioner, the Commission conveys its no objection to the said variations. However, it is expected from the Petitioner to obtain prior approval of such variations in future.
9. Further, in view of above analysis, the Petitioner is hereby allowed to procure 986MU Short Term Power at weighted average rate of Rs.6.48/kWh from May' 2025 to September' 2025 as discovered by it in the e-Reverse Auction.
10. 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 passed through in True-up of FY 2024-25. This approval is further subject to the condition that any surplus power available with the Petitioner during Summers of FY 2025-26 be first utilized within Delhi as required by other DISCOMs under Inter DISCOM Transfer (IDT) mechanism.
11. Ordered accordingly.

Sd/-
(Surender Babbar)
Member

Sd/-
(Ram Naresh Singh)
Member

Sd/-
(Justice (Retd.) Jayant Nath)
Chairperson