

TAMIL NADU ELECTRICITY REGULATORY COMMISSION
(Constituted under section 82 (1) of the Electricity Act, 2003)
(Central Act 36 of 2003)

PRESENT:-

ThiruM.Chandrasekar

.... Chairman

and

ThiruK.Venkatasamy

.... Member (Legal)

P.P.A.P. 1 of 2022

M/s. Tamil Nadu Generation and Distribution
Corporation Limited
144, Anna Salai
Chennai-600 002

.... Petitioner
(Thiru. M.Gopinathan
Standing Counsel for TANGEDCO)

Date of hearing : 29-03-2022

Date of order : 05-04-2022

The P.P.A.P.No. 1 of 2022 came up for hearing on 29.03.2022. The Commission upon perusing the affidavit filed by the petitioner and all other connected records and after hearing passes the following:-

ORDER

1. Prayer of the Petitioner in P.P.A.P.No. 1 of 2022:-

The prayer of the Petitioner in the above P.P.A.P.No.1 of 2022 is –

- i. For adoption of tariff at Rs.4.82 per unit for 325 MW RTC power and Rs.4.84 per unit for 150MW RTC power at TANTRANSCO periphery for

the period from 1st March 2022 to 31st March2022 under Tender No. 17 of 2021.

- ii. For approval for the procurement of 353.4 MU for the period from 1st March 2022 to 31st March2022.
- iii. To pass such other orders as theCommission may consider deemed fit and proper.

2. Facts of the Case:

The petitioner has filed this petition under Section 63 of the Electricity Act 2003 seeking adoption of tariff for procurement of 475 MW RTC power under Short term tender for the period from 01.03.2022 to 31.03.2022 floated by the Tamil Nadu Generation and Distribution Company Limited under Tender No.17 of 2021 as approved by the Commission in M.P.2 of 2022.

3. Contentions of the Petitioner in P.P.A.P.No.1 of 2022:-

3.1. The petitioner, Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO), has stated that itsall time high demand met by TANGEDCO and the all time high consumption in the State of Tamil Nadu is as below.

a. All time high demand	16845.5 MW met on	10.04.2021
b. All time high consumption	372.702 MU met on	09.04.2021

The Restriction and Control measures (R&C) in the state have been lifted with effect from 05.06.2015 and directions of the GoTN issued under Section-11 of Electricity Act 2003 have been revoked with effect from 01.06.2016.

3.2. The petitioner has projected that it is anticipated that 1500 MW RTC Power would be required to meet minimum demand in view of considerable increase in demand owing to summer months and public exams for schools/colleges are scheduled during the March2022 summer period. IT firms and commercial establishments also resume their operations, Industrial operations have also gained momentum post Covid lockdown and of the weather conditions during summer, the demand over grid will increase significantly. Therefore, a short term tender (TANGEDCO/SHORT/PP 17-2021) was floated for procurement up to 400 MW RTC power from 01.03.2022 to 31.03.2022.

3.3. The petitioner has also stated that, in order to ensure seamless flow of power to meet the anticipated demand and in view of urgency to ensure the availability of transmission corridor, Tender process was initiated by publishing the notice in newspapers and uploading Request for Proposal (RfP) in MoP's e-bidding portal (DEEP) on 28.12.2021.

3.4. The non-financial technical bids were opened on 11.01.2022. Totally 5 bids were received from 2 bidders as follows:

Sl.No	Name of the Bidder	No of bids
1	NVVN Ltd	4
2	GMR Energy Trading Limited	1
Total number of bids		5

The Initial price offer was opened on 11.01.2022 and e-Reverse Auction was held on 12.01.2022. The details of the bidders and rate emerged per unit in e-Reverse Auction and on further negotiation are as follows:

Name of the bidder	Source of Power	e-Reverse Auction		After negotiation	
		Quantum offered by bidders in MW	Rate offered per unit in Rs.	Quantum offered in MW	Rate per unit in Rs.
NVVN Ltd	Sembcorp Energy India Ltd (Sembcorp)	150	5.02	150	4.84
	JaypeeNigrie Super Thermal Power Plant (JaypeeNigrie)	100	5.02	100	4.82
	Jindal Power Ltd (Jindal)	150	5.02	150	4.82
GMR Energy	GMR Kamalanga Energy Ltd (GMR)	75	5.02	75	4.82
NVVN Ltd	JaypeeBina Thermal Power Plant (JaypeeBina)	40	8.95	40	8.95

3.5. TANGEDCO had already filed Miscellaneous petition (M.P. No: 02 of 2022) seeking approval and the Commission has accorded approval in its order dt: 25.01.2022 to procure RTC power up to 1000 MW. The petitioner also contends that in view of prevailing shortage of coal stocks and upcoming summer months the average cost might increase above Rs.5.00 per unit and hence the price discovered under this tender appears to be reasonable. Considering the increase in demand owing to summer

months and benefit for the public, TANGEDCO has issued LoAs to the successful bidders up to 475 MW at the rate range from 4.82 to Rs.4.84 per unit and the details are as follows:

Period	Name of the bidder	Source of Power	Quantum offered by bidders in MW	Rate offered per unit in Rs.
01.03.22 to 31.03.22	GMR Energy	GMR Kamalanga Energy Ltd	75	4.82
	NVVN Ltd	JaypeeNigrie Super Thermal Power Plant	100	4.82
		Jindal Power Ltd	150	4.82
		Sembcorp Energy India Ltd	150	4.84

3.6. As per clause 7.2 of Guidelines issued by MoP for short term procurement of power, Standing Committee was constituted for evaluation of bids and as per clause 11.2 of MoP Guidelines, the Committee has provided appropriate certification on conformity of the bid process evaluation according to the provisions of RfP document.

3.7. And thus prayed the Commission, for adoption of tariff at Rs.4.82 per unit for 325 MW RTC power and Rs.4.84 per unit for 150 MW RTC power at TANTRANSCO periphery for the period from 1st March'22 to 31st March'22 under Tender No. 17 of 2021, and sought approval for the procurement of 353.4 MU for the period 1st March'22 to 31st March'22.

4. Findings of the Commission:-

4.1. The prayer of the Petitioner in this petition is to adopt a tariff of Rs.4.82 per unit for 325 MW RTC power and Rs.4.84 per unit for 150 MW RTC power the rate emerged under competitive bidding process to supply the power at TANTRANSCO periphery for the period from 01-03-2022 to 31-03-2022 and also for approval for the procurement of 353.4 MU.

4.2. We have carefully gone through the miscellaneouspetition filed by the Petitioner. This Commissionhas approved for procurement of 1000 MW RTC power for the month of March 2022 in M.P.No.02 of 2022 dated 25-01-2022. The present petition is the sequel to the said Miscellaneous Petition for the adoption of tariff.

4.3. The petitioner sought approval for procurement of the above power to meet out the anticipated requirement to meet the minimum demand during the month of March 2022 in view of increase in demand owing to summer month consumption as well as the consumption growth estimated due to resumption of IT/Industrial operations post COVID lock down.

4.4. According to the above approval the petitioner has floated a short term tender, TANGEDCO / SHORT / PP 17 – 2021, for procurement up to 400 MW RTC power. The petitioner has followed the tender process by publishing the notice in Newspapers and uploading the Request for Proposal in MoP's e-bidding portal (DEEP) on 28-12-

2021. It has received 5 bids from 2 bidders vizs., NVVN Ltd., and GMR Energy Trading Limited, while opening non-financial technical bids on 11.01.2022.

4.5. From the e-Reverse Auction held on 12-01-2022, the petitioner has obtained the following rate after further negotiation:

Name of the bidder	Source of Power	e-Reverse Auction		After negotiation
		Quantum offered by bidders in MW	Rate offered per unit in Rs.	Rate per unit in Rs.
NVVN Ltd	Sembcorp Energy India Ltd (Sembcorp)	150	5.02	4.84
	JaypeeNigrie Super Thermal Power Plant (JaypeeNigrie)	100	5.02	4.82
	Jindal Power Ltd (Jindal)	150	5.02	4.82
GMR Energy	GMR Kamalanga Energy Ltd (GMR)	75	5.02	4.82
NVVN Ltd	JaypeeBina Thermal Power Plant (JaypeeBina)	40	8.95	8.95

4.6. Based on the direction under Clause 7.2 of Guidelines issued by the Ministry of power and earlier direction of the Commission, the Petitioner has submitted a Certificate by the Bid Evaluation Committee consisting of Thiru.S.Sathyanarayanan, CE/PPP, Tmt.B.Hemalatha, FC/Cost and Thiru K.J. Dandeker, Chartered Accountant. The said Evaluation Committee has certified that the bidding process had been done through DEEP e-bidding Portal as per the Ministry of Power guidelines dated 30-03-2016 and according to the provisions of the Request for Proposal TANGEDCO/SHORT/PP-17/2021.

4.7. The petitioner has stated that the prevailing shortage of coal stocks and upcoming summer month the average cost of power might increase over Rs.5 per unit and hence the price discovered under the Tender 17 found to be reasonable; and considering the projected increase in demand the petitioner has issued LoAs to the successful bidders up to 475 MW at the negotiated rate as under.

Period	Name of the bidder	Source of Power	Quantum in MW	Rate per unit in Rs.
01.03.2022 to 31.03.2022	GMR Energy	GMR Kamalanga Energy Ltd	75	4.82
	NVVN Ltd	JaypeeNigrie Super Thermal Power Plant	100	4.82
		Jindal Power Ltd	150	4.82
		Sembcorp Energy India Ltd	150	4.84

4.8. In view of the reasons set out by the petitioner in para4.7 above, the Commission hereby approves the proposal of procurement of 325 MW RTC power at the Rate of Rs.4.82 per Unit and 150 MW RTC power at the rate of Rs.4.84 per Unit during the period from 1st March 2022 to 31st March 2022 as per Section 86(1)(b) of the Electricity Act, 2003, and also approve the quantum of 353.4 MU to purchase during the month of March 2022.

Ordered accordingly.

(Sd.....)
(K.Venkatasamy)
Member (Legal)

(Sd.....)
(M.Chandrasekar)
Chairman

/True Copy /

Secretary
Tamil Nadu Electricity
Regulatory Commission