



**THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION**

**LUCKNOW**

**Petition No. 2245 of 2025**

**QUORUM**

Hon'ble Shri Arvind Kumar, Chairman

Hon'ble Shri Sanjay Kumar Singh, Member

**IN THE MATTER OF**

Petition under section 63 read with Section 86(1)(b) of the Electricity Act, 2003 and Regulation 15 of the UPERC (Conduct of Business) Regulations, 2019 for approval of Pumped Hydro Storage Power Procurement Agreement (PHSPPA) dated 30.04.2025 executed between Uttar Pradesh Power Corporation Limited and JSW Energy PSP Six Limited and adoption of tariff discovered through Request for Selection (RFS) invited for procurement of power through tariff based competitive bidding process to procure energy storage capacity for 1500 MW (for 8 hours discharge with maximum 6 hours continuous discharge) from Pumped Hydro Storage Plants for a period of 40 years.

**AND**

**IN THE MATTER OF**

**Uttar Pradesh Power Corporation Ltd. (UPPCL),**

14<sup>th</sup> Floor, Shakti Bhawan Extension, 14-Ashok Marg, Lucknow

... Petitioner

**VERSUS**

**JSW Energy PSP Six Limited (JEPSL),**

JSW Centre, Bandra Kurla Complex, Bandra(east), Mumbai

...Respondent

**FOLLOWING WERE PRESENT**

1. Sh. Divyanshu Bhatt, Advocate, UPPCL
2. Sh. Abhayaditya Singh, Advocate, UPPCL
3. Sh. Deepak Raizada, Director, UPPCL

*by*



*h*



4. Sh. Kashi Nath Yadav, EE (PPA), UPPCL
5. Sh. Siddharth, Consultant, UPPCL
6. Sh. Aman Dixit, Advocate, JEPSL
7. Sh. Rahul Singh, Manager, JEPSL

### ORDER

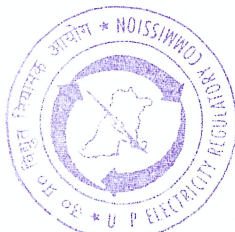
(DATE OF HEARING: 04.12.2025)

1. The Petitioner, UPPCL has filed this Petition seeking approval of Pumped Hydro Storage Power Procurement Agreement (PHSPPA) dated 30.04.2025 executed between UPPCL and Respondent, JEPSL and adoption of tariff discovered through Tariff Based Competitive Bidding (TBCB) process. The prayers of the Petitioner are as follows:
  - a) Admit the instant Petition.
  - b) Approved the PHSPPA dated 30.04.2025 executed between UPPCL and JSW Ltd.
  - c) Approve the tariff rate provided in Article 12 of the PHSPPA dated 30.04.2025 executed between UPPCL and JSW Ltd.
  - d) Pass such orders that this Commission may deem fit in the present facts and circumstances of the case.

### Background of the case

2. The Petitioner has mainly submitted the following in the Petition:
  - a) JSW Energy PSP Six Limited (i.e., JSW Ltd) is a legally incorporated public limited company established under the Companies Act, 2013. It operates as a non-government entity and is registered with the Registrar of Companies in Mumbai, Maharashtra.
  - b) The Commission vide its Order dated 30.08.2024 in Petition No. 2087 of 2024 (filed by UPPCL) approved the Bidding documents i.e., RfS and draft PHSPPA for procurement of 2000 MW power from Pumped Hydro Storage Plants for a period of 40 Years.

by.





c) The procurement of Renewable Energy from Renewable Energy Power Generator in the instant case is also an endeavour of UPPCL to fulfil its RPO targets for promoting green energy and optimising the cost of power purchase, which is for the benefit of consumers of Uttar Pradesh. The MoP had issued a notification dated 20.10.2023 vide which the MoP had mandated the power distribution companies (i.e., Discoms) to prepare a RPO roadmap and it was further stated that the RPO targets on Discoms for FY2024-25 shall be 29.91%. Further, MoP, vide the said notification dated 20.10.2023, has given the new RPO trajectory from FY2024-25 to FY2029-30 as tabulated below:

Year	Wind RPO	Hydro RPO	Other RE	Distributed RE	Total
2024-25	0.67%	0.38%	27.35%	1.50%	29.91%
2025-26	1.45%	1.22%	28.24%	2.10%	33.01%
2026-27	1.97%	1.34%	29.94%	2.70%	35.95%
2027-28	2.45%	1.42%	31.64%	3.30%	38.81%
2028-29	2.95%	1.42%	33.10%	3.90%	41.36%
2029-30	3.48%	1.33%	34.02%	4.50%	43.33%

a) The MoP, through aforesaid notification dated 20.10.2023, has provided the criteria to meet the RPO against each category, however, 100% fungibility has been provided between Wind, Hydro, and Other Renewable sources under the notification. The criteria have been outlined below:

- Wind: shall be met from the Wind Power Projects commissioned after 31.03.2024.
- Hydro: shall be met only from Hydro Power Projects (including Pump Storage and Small Hydro Projects) commissioned after 31.03.2024.
- Distributed RE: shall be met only from energy generated from RE projects that are less than 10MW in size.
- Other RPO: can be met by energy produced from any RE projects other than specified under Wind, Hydro, and Distributed Energy and shall comprise energy from all WPPs and Hydro Power Projects (including Pump Storage and Small Hydro Projects), including free power, commissioned before the 01.04.2024.

b) Guideline No. 6 of the aforesaid MoP Notification dated 20.10.2023 provides that any shortfall in meeting RPO targets will be treated as non-compliance and penalty will be imposed for each unit of shortfall in meeting the energy consumption norms as per the amended Energy Conservation Act, 2001. As per Section 12(3) of the Energy Conservation (Amendment) Act, 2022, the non-compliance of the directions as

54







mentioned in clause (n) and (x), a penalty shall be levied from the Discoms, which shall not exceed Rs. 10Lakh for each failure. The MNRE, vide its letter dated 01.02.2024, had further notified that additional penalty would also be levied to the tune Rs. 3.72 per unit for each unit of shortfall in meeting RE consumption norms.

- c) The capacity required to be contracted by UPPCL to meet the RPO targets has been showcased below:

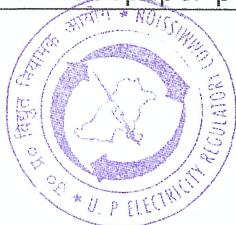
Capacity (MW) to be Contracted in Respective Year to meet RPO (With Fungibility)										
Category	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	Total
Solar	3,000	2,000	2,000	1,000	500	-	-	-	-	8,500
Wind	-	2,000	2,000	1,500	1000	-	-	-	-	6,500
Hydro	-	4,000	1,000	1,000	500	-	-	-	-	6,500
<b>Cumulative</b>	<b>3,000</b>	<b>8,000</b>	<b>5,000</b>	<b>3,500</b>	<b>2,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,500</b>

- d) UPPCL vide its "Tender No. 01/PPA/RE/PHSP/2000MW/2024" dated 08.02.2024 invited proposals of Bidders for procurement of 2000MW from Pumped Hydro Storage Plants for a period of 40 years from grid Connected Pumped Hydro Storage Plants. Bidding process was concluded through a TBCB process in accordance with the mandate of Section 63 of the Act. Pursuant to the evaluation of bids received, JSW Neo Energy Limited turned out to be the successful bidder for providing 1500MW of storage capacity from Pumped Hydro Storage Project Sonbhadra and thereafter, Letter of Award No. 217/CE/PPA was issued on 24.02.2025. JSW Neo Energy Limited through its letter dated 28.02.2025 had accepted the LoA dated 24.02.2025.
- e) JSW Neo Energy Ltd. promoted and incorporated the Pumped Hydro Storage Project Developer ('Special Purpose Vehicle' or 'SPV') in accordance with the terms of the Tender. JSW Neo Energy Ltd vide its letter No. JSWNEL/UPPCL/PSP/FY25/05 dated 19.03.2025 requested UPPCL to accept JSW Energy PSP Six Ltd. as the entity which shall undertake and perform the obligations agreed upon between the parties.

### Records of Proceedings

3. During the hearing dated 25.09.2025, The Commission admitted the Petition and allowed JEPSL to file its reply within two weeks' time. Further, UPPCL was directed to file the following:
- Detailed chronology of the timelines of this bidding process.
  - Copy of Newspaper publication of this Bidding process.

by

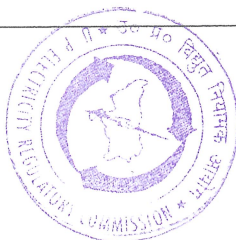


3





- c) Copy of Bid Conformity Certificate that the bidding has been conducted as per the Commission's approved bidding document.
- d) Details of Bidders participated such as name, quoted price & quantum, e-Reverse Auction process and project location etc. shall be placed on record.
- e) The Copy of Bid Evaluation Committee (BEC) report for the selection of successful bidders in this Bidding process.
4. On the hearing dated 04.11.2025, Sh. Divyanshu Bhatt, submitted that additional submission in the matter was filed on 31.10.2025 in compliance to the Commission's Order dated 26.09.2025 while apologising for the delayed filing. The Commission expressed its displeasure towards UPPCL's lackadaisical approach and asked him to file his submissions at least 5 working days before the next hearing date.
5. The Commission, enquired whether Greenko UP01 IREP Pvt. Ltd. had participated in the e-Reverse Auction as its quoted price was lowest at the initial stage? Sh. Bhatt responded that it had participated, however, lowest bidders were JSW & Adani at the final stage of bidding process. Regarding total storage cost used for bid evaluation, Executive Engineer of UPPCL submitted that it was based on AFC & cycle loss, an approach which had been used by other utilities in the states like Maharashtra, Madhya Pradesh.
6. On specific query of the Commission regarding Performance Bank Guarantee (PBG), Counsel of Respondent submitted that new PBG with required validity period had been submitted to UPPCL. Regarding discovered tariff, Sh. Manish Dwivedi on behalf of UPPCL, submitted that tariff was exclusive of GST in terms of RfS document. The Commission observed that in Article 15, regarding "Change in Law" event, the effective date of PPA and last date of bid submission, both were laid down, as the trigger point for Change in Law; however, UPPCL confirmed that the bidding was conducted as per the Commission's approved document, which mentioned "last date of bid submission" in this Article. In response to the modification in Article 15 regarding effective date, Sh. Bhatt responded that they would file submissions in this regard within a weeks' time. The Commission directed UPPCL to furnish the following:
- a) Copy of PSP Bidding documents issued by Utility of Maharashtra and Madhya Pradesh.





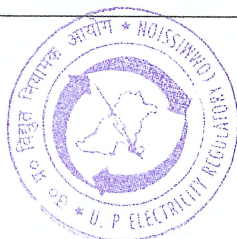
- b) Copy of any corrigendum issued post approval of the Commission vide Order dated 30.08.2025.
- c) List of bidders in Stage 2 in terms of clause 6.9(f) of the approved RfS.
7. On the hearing dated 04.12.2025, Sh. Divyanshu Bhatt, submitted that affidavit was filed on 12.11.2025 regarding inadvertent typographical errors in the PHSPPA and others issue. The Commission opined that UPPCL should be careful enough to avoid errors in the PPA in future, because such ignorance may have financial implication to either party.
8. Further, the Commission observed that Article 12.2.2 of the PHSPPA dated 30.04.2025 with refers to CERC's Average Power Purchase Rate (APPR), because nowadays CERC did not release such rate and therefore, it would be appropriate to consider Average Power Purchase Cost (APPC) of Solar power as approved in the UPPCL's Tariff Order (i.e., Approval of ARR and tariff) by the Commission, which would be grossed up with intra-state transmission charges & losses. Counsel of Respondent after consultation with the client accepted that UPERC's APPC rate of Solar power instead of CERC's APPR. Sh. Deepak Raizada on behalf of UPPCL did not object and accepted the Commission's observation. Further, Counsel of Respondent requested the Commission for reserving the matter for Order as they have no objection to the approval of the PHSPPA.

#### **Additional Submission**

9. On 31.10.2025, UPPCL filed its additional affidavit in compliance to the Commission Order dated 26.09.2025 wherein UPPCL has mainly submitted the following:
- a) The detailed chronology of the timeline of the bidding process is as under:

S. No.	Particulars	Date
1.	Date of newspaper publication of the notice of Tender.	07.02.2024
2.	Tender bearing RfS No. 01/PPA/RE/PHSP/2000 MW/2024.	08.02.2024 (modified 13.08.2024)
3.	Commencement of the bidding process.	08.02.2024
4.	Approval of requisite Bidding Documents by the Commission in Petition No. 2087 of 2024.	30.08.2024
5.	Last date of submission of bids.	11.10.2024
6.	Bid Evaluation Committee scrutiny of the 5 techno-commercial bids received.	05.11.2024
7.	e-Reverse Auction.	20.11.2024
8.	Proposed Tariff rates determined to be prudent by the Bid Evaluation Committee and put forth before the Corporate Store Purchase/Works Committee.	22.11.2024

54.







9.	JSW Neo Energy Ltd. Bid Accepted by the Corporate Store Purchase/Works Committee.	28.11.2024
10.	Letter of Award No. 217/CE/PPA in favour of JSW Neo Energy Ltd.	24.02.2025
11.	Acceptance letter issued by JSW Neo Energy Ltd.	28.02.2025
12.	Signing of the PHSPPA.	30.04.2025

- b) The notices pertaining to the tenders were published in Hindi and English newspapers on 07.02.2024. Bid Conformity Certificate is being attached herewith with this additional submission. Bidding process saw the participation of five (5) bidders, whose proposed project location was within Uttar Pradesh, as under:

Sl. No.	Bidder Name	Quoted Capacity (MW)	Quoted Rs. (AFC/MW/Annum)	Quoted Total Storage Cost
1	Greenko UP01 IREP Pvt Ltd	2,000	97,99,999	1,19,75,598.78
2	Adani Saur Urja (KA) Ltd	1,500	1,07,65,323	1,33,49,000.00
3	JSW Neo Energy Ltd	1,500	1,26,00,000	1,54,98,000.00
4	Torrent Power Ltd	1,500	1,36,63,968	1,68,75,000.00
5	Avaada Water battery Pvt Ltd	260	1,45,00,000	1,81,25,000.00

- c) The selection of successful bidders in the bidding process was as per the RfS approved by the Commission in Petition No. 2087/2024. This entailed the ascertainment of techno-commercial qualification and the subsequent selection of successful bidders. In this regard, following documents placed on record:
- Minutes of the BEC meeting held on 05.11.2024 for Evaluation of Techno-Commercial Bid and clarifications received from bidders in response to RfS.
  - Minutes of the BEC meeting held on 22.11.2024 for Evaluation of results after e-RA and revised offer received in tender.
  - Minutes of the Corporate Store Purchase/Works Committee meeting held on 28.11.2024 after evaluation of the results of the bids received in the tender issued.

10. On 12.11.2025, UPPCL filed its additional affidavit wherein following details were placed on record:

- Legible copies of the newspaper's publications of the Tender Notice.
- UPPCL had uploaded the revised tender documents as per the Commission's order dated 30.08.2024 through Addendum-9, uploaded to the ISN Electronic Tender Services Portal on 05.09.2024.

by





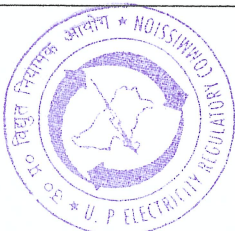
- c) There was no further deviation after approval of the PHSPPA documents by the Commission in Petition No. 2087/2024. There is only an inadvertent typographical/clerical error regarding the insertion of the term "effective date" of PPA in the Article 15.1.1 for Change in Law clause.
- d) JSW Energy PSP Six Limited vide its communication dated 25.09.2025 notified UPPCL of the issuance of the revised Performance Bank Guarantee in pursuance of its contractual obligations and the same has been incorporated in the PHSPPA.

11. On 01.12.2025, UPPCL filed its additional affidavit in compliance to the Commission Order dated 20.11.2025 wherein UPPCL has mainly submitted the following:

- a) The utilities of Maharashtra (*MSEDCL issued RfS No. CEPP/PHSP/T-01 dated 09.03.2024*) and Madhya Pradesh (*MPPMCL issued Tender No. 05-01/642611/PSP/1351 dated 03.09.2025*) had undertaken bidding processes for power procurement from Pump Hydro Storage Plants Wherein Total Storage Cost was calculated in terms of the Annual Fixed Charges and Cycle Loss.
- b) Subsequent to the approval of the bid documents by the Commission in Petition No. 2087/2024 vide the Order dated 30.08.2024, three corrigenda were issued by UPPCL in relation to the bidding process as follows:
- i) Corrigendum-14 (No. 1534/CE/PPA): 04.09.2024
- ii) Corrigendum-15 (No. 1584/CE/PPA): 12.09.2024
- iii) Corrigendum-16 (No. 1649/CE/PPA): 01.10.2024
- c) All the aforementioned corrigenda were issued for the extension of the last date of bid submission. The last date for bids submission was on 11.10.2024. The revised draft PHSPPA, as approved vide the Commission's order dated 30.08.2024, had been uploaded to the ISN Electronic Tender Services Portal on 05.09.2024.
- d) Stage-2 list of the bidders prepared as per clause 6.9(f) of the approved RfS, including those that failed to qualify for Stage-2 list, were as provided below:

S. No.	Bidder's Name	Bidder's Pseudo-Identity	Rank	Total Storage Cost (INR/MW/Annum)	Quoted Capacity (MW)	Capacity Qualified (MW)
1.	JSW Neo Energy Limited	9.05719e+014	A1	9490000	1500	1500
2.	Adani Saur Urja (KA) Ltd.	7.24104e+015	A2	9498000	1500	500
<b>Total</b>					<b>3000</b>	<b>2000</b>

54.







Others – Not Part of Stage-2 List						
3.	Greenko UP02 IREP Private Limited	5.99878e+015	A3	9499000	2000	-
4.	Avaada Water Battery Private Limited	7.37018e+015	A4	10403000	260	-
5.	Torrent Power Limited	9.391e+015	A5	11103000	1500	-

e) As per clause 6.9(i) of the approved RfS, Stage-2 list was sent to all participants of the bidding process vide email dated 20.11.2024. Thereafter, Adani Saur Urja (KA) Limited submitted its revised offer in the prescribed format to match the L-1 price Rs. 9490000/MW/Annum of the bidder ranked A1.

### Analysis & Decision

12. UPPCL, by way of instant Petition, is seeking adoption of discovered tariff for procurement of 1500MW PSP based Power under TBCB process on long-term basis of 40 years along with approval of PHSPPA dated 30.04.2025 executed with JSW Energy PSP Six Limited. UPPCL has submitted that this power procurement would facilitate in optimising power purchase cost as well as in compliance of RPO targets. The Pumped Storage Project is being implemented by JSW Energy PSP Six Limited and is proposed to be established at Sonbhadra (Distt.), Uttar Pradesh.

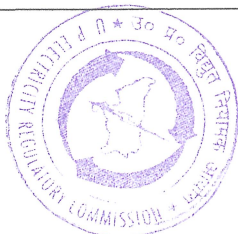
13. The Commission, vide its Order dated 30.08.2024 in Petition No. 2087/2024, had approved the bidding documents (i.e., RfS & draft PHSPPA) along with certain deviations for procurement of 2000MW of Pumped Storage based hydro power under TBCB process. The relevant extracts of the said Order dated 30.08.2024 is reproduced below for ready reference:

*"19. Therefore, it is abundantly clear that a guideline issued by Ministry of Finance cannot override the express words of the Electricity Act, 2003 and carve out a dispute resolution mechanism which is alien to Section 86(1)(f) i.e., the dispute resolution mechanism given under the Electricity Act, 2003. It will amount to clandestinely subverting the clear dispute resolution dispensation provided under the Electricity Act, 2003, which is absolutely not acceptable.*

*20. In view of above, UPPCL's proposed modification of clause 18.3.1 (i.e., Dispute Resolution by Appropriate Commission) in terms of Office Order dated 09.08.2024 is rejected and the existing provision of dispute resolution by appropriate Commission under Article 18.3.1 of the draft PHSPPA, as specified at para 14 (b), is approved.*

*21. The Commission, after hearing the matter and perusing the documents placed on record, approve the bidding document with deviations contained at only para 14 (d) of this Order for procurement of 2000MW power from Pumped Hydro Storage Plants through competitive bidding. UPPCL shall ensure alignment of tender document with*

by



2



above deviations and only then proceed with bidding. A copy of final bidding document shall be placed for record of the Commission."

14. The Bid Conformity Certificate was issued by Conveyor of the Bid Evaluation Committee wherein he had certified that instant bid process was conducted as per the provisions of the Bidding document dated 08.02.2024, approved by the Commission vide Order dated 30.08.2025 in Petition No. 2087/2024. The relevant extract of the said Bid Conformity Certificate is as follows:

"Conformity Certificate  
by

the Evaluation Committee

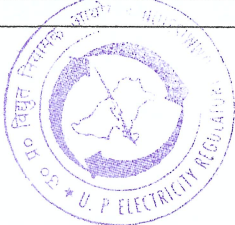
*Tariff Based Competitive Bidding Process conducted by Uttar Pradesh Power Corporation Limited (UPPCL), Lucknow vide RfS No. 01/PPA/RE/PHSP/2000MW/2024 dated 08.02.2024 for procurement of 2000MW from Energy Storage Capacity (for 8 Hours discharge with maximum 6 Hours continuous discharge) for 40 years Plants for a period of 40 years from grid Connected Pumped Hydro Storage Plant/s through Competitive Bidding.*

*This is to certify that the bid evaluation in respect of above bid process has been done in conformance with the Guidelines to promote development of Pumped Storage Plant (PSP) issued by MoP dated 10.04.2023 and provisions of the tender documents (RfS & PHSPPA) dated 08.02.2024 and modified dated 13.08.2024, approved by Hon'ble UPERC vide order dated 30.08.2024."*

15. The key timelines of the Bidding process are as follows:

S. No.	Particulars	Date
1	Date of newspaper publication of the notice of Tender.	07.02.2024
2	Tender bearing RfS No. 01/PPA/RE/PHSP/2000MW/2024	08.02.2024
3	Commencement of the bidding process.	08.02.2024
4	Approval of requisite Bidding Documents by the Commission in Petition No. 2087 of 2024.	30.08.2024
5	Last date of submission of bids.	11.10.2024
6	Bid Evaluation Committee scrutiny of the 5 techno-commercial bids received.	05.11.2024
7	e-Reverse Auction.	20.11.2024
8	Proposed Tariff rates determined to be prudent by the Bid Evaluation Committee and put forth before the Corporate Store Purchase/Works Committee.	22.11.2024
9	JSW Neo Energy Ltd. Bid accepted by the Corporate Store Purchase/Works Committee.	28.11.2024
10	Letter of Award No. 217/CE/PPA in favour of JSW Neo Energy Ltd.	24.02.2025
11	Acceptance letter issued by JSW Neo Energy Ltd.	28.02.2025

by







12 Signing of the PHSPPA.

30.04.2025

16. On perusal of the documents placed on record, it was found that five bidders had submitted the bids which makes Stage-1 list with initial price offer (i.e., prior to the Reverse Auction) as under:

Sl. No.	Bidder Name	Quoted Capacity (MW)	Quoted Cycle loss (%)	Quoted Rs. (AFC/MW/Annum)	Quoted Total Storage Cost Rs. (AFC/MW/Annum)
1	Greenko UP01 IREP Pvt Ltd.	2,000	22.20	97,99,999	1,19,75,598.78
2	Adani Saur Urja (KA) Ltd.	1,500	24	1,07,65,323	1,33,49,000.00
3	JSW Neo Energy Ltd.	1,500	23	1,26,00,000	1,54,98,000.00
4	Torrent Power Ltd.	1,500	23.50	1,36,63,968	1,68,75,000.00
5	Avaada Water battery Pvt. Ltd.	260	25	1,45,00,000	1,81,25,000.00
	<b>Total</b>	<b>6760</b>			

17. Further, after completion of e-Reverse Auction conducted on 20.11.2024, Stage-2 list as per clause 6.9(f) of the RfS was as follows:

S. No.	Bidder's Name	Rank	Total Storage Cost (INR/MW/Annum)	Quoted Capacity (MW)	Capacity Qualified (MW)
1.	JSW Neo Energy Limited	A1	9490000	1500	1500
2.	Adani Saur Urja (KA) Ltd.	A2	9498000	1500	500
<b>Sub Total (MW)</b>				<b>3000</b>	<b>2000</b>
3.	Greenko UP01 IREP Private Limited	A3	9499000	2000	-
4.	Avaada Water Battery Private Ltd.	A4	10403000	260	-
5.	Torrent Power Limited	A5	11103000	1500	-
<b>Sub Total (MW)</b>				<b>3760</b>	

18. Subsequently, as per clause 6.9(i) of the RfS, Stage-2 list was emailed to all the participants/bidders of the bidding process. In response, Adani Saur Urja (KA) Ltd. revised its offer to match the A1 price of Rs. 94,90,000/MW/Annum as per clause 6.9 (j) of the RfS. Thereafter, JSW Neo Energy Ltd. and Adani Saur Urja (KA) Ltd. were declared successful bidder. The final list of successful bidders with allotted capacity are as follows:

S. No.	Bidder's Name	Total Storage Cost (INR/MW/Annum)	Capacity Awarded (MW)
1.	JSW Neo Energy Limited	9490000	1500
2.	Adani Saur Urja (KA) Ltd.	9490000	1250
	<b>Total</b>		<b>2750</b>

19. Letter of Award dated 24.02.2025 was issued to JSW Neo Energy Ltd., which was accepted by it on 28.02.2025 and PHSPPA was executed on 30.04.2025. The relevant extract of the said LoA dated 24.02.2025 is reproduced as under:

**"LETTER OF AWARD"**

by





**Subject:** Regarding selection of Bidder for Procurement of 2000 MW Energy Storage Capacity (For 8 Hours discharge with maximum 6 Flours continuous discharge) for 40 Years from Grid Connected Pumped Hydro Storage Plant/s in terms of the tender documents (RfS & PHSPPA) dated 08.02.2024 and Modified date 13.08.2024 issued by UPPCL.

**Ref:**

- The Request for Selection with reference no. 01/PPA/RE/PHSP/2000MW/2024 dated 08.02.2024 (Modified date 13.08.2024) and their subsequent corrigendum's/addendums issued thereafter (Collectively the "RfS").
- Your response to RfS by way of online submission on Bharat E-Portal on 11.10.2024.
- Your last quoted tariff during online e-RA concluded on 20.11.2024 on Bharat E-portal.
- Your Bank Guarantee towards EMD submitted along with the Bid, bearing BG No. 5546610223 issued by Citi Bank for an amount of INR 84,00,00,000 Crore (Indian Rupees Eighty-Four Crore only).
- Order dated 30.08.2024 by Hon'ble UPERC for approval of tender documents 2000 MW Pump Storage Bid through competitive bidding.

Dear Sir.

In reference to the above and subject to adoption of such tariff, discovered through competitive bidding, by Hon'ble UPERC, we hereby confirm having accepted the final offer of M/s JSW Neo Energy Limited discovered through the e-Reverse Auction and issue this Letter of Award ("**LoA**") as per the following details:

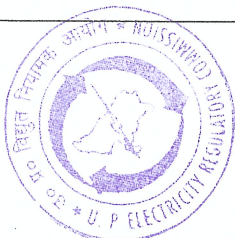
<b>RfS Reference: 01/PPA/RE/PHSP/2000MW/2024</b>	
Project Capacity	
Total Storage Capacity Allotted	<b>1500 MW</b>
Cycle loss in %	<b>23%</b>
Quoted Total Storage Cost in Rs/MW/Annum	<b>94,90,000/-</b>
<b>Computed AFC after e-RA as per RfS provision (Annual Fixed Cost in Rs/MW/Annum)-Tariff Payable</b>	<b>77,15,447/- (Rupees Seventy-Seven Lakh fifteen thousand four hundred forty-seven)</b>

In terms herein below UPPCL will purchase the energy storage capacity from the Pumped Hydro Storage projects ("PHSP") subject to, inter alia, also the terms of the RfS and the terms and conditions as stated in various documents referred above and briefly brought out hereinafter.

- The annual fixed cost as per terms and conditions of tender documents and as set out in the table above shall be firm for the entire term of 40 years, as discovered through the e-Reverse Auction and subject to adoption of such tariff by Hon'ble UPERC.

....."

by



3





20. In view of the foregoing discussion, the Commission observed that following provisions of the PHSPPA dated 30.04.2025 are required to be modified in order to remove its ambiguity:

a) In Article 12.2: **Energy consumption during pumping mode**

.....

12.2.2. The adjusted MFC payable to the Developer on account of higher cycle loss than the declared cycle loss shall be as below:

**Adjusted MFC**

$$= \text{MFC} - [(\text{Input Energy at Actual Cycle loss} - \text{Input Energy at Declared Cycle loss}) \times \text{Additional Input Energy Charges}]$$

where,

Additional Input Energy Charges will be as below:

Deviation from declared Cycle Loss	Excess Input Energy to be billed at
$\leq 10\%$	$1.5 \times$ Average power purchase cost of Solar power of UPPCL approved for the year by the UPERC.
$> 10\%$	$2 \times$ Average power purchase cost of Solar power of UPPCL approved for the year by the UPERC.

*\*The overall efficiency of the pumped hydro generating units/ plants shall not be less than 75% at any point of time.*

*\*\* APPC of Solar Power to be grossed up with the intra-state transmission charges and loss.*

Average Power Purchase Cost of Solar Power for UPPCL shall be approved by the UPERC for the applicable year. In case there is no APPC for the applicable year, then last approved APPC of Solar power by UPERC may be considered and same shall be reconciled after the Tariff Order for the corresponding year is issued by UPERC. In case the actual Cycle Loss is lower than the Declared Cycle Loss, there would be no adjusted AFC payable on monthly basis.

In case of improvement of Cycle Loss, Developer shall be allowed to sell surplus power to the third party and the gains accrued to Developer on such sale shall be equally shared between Developer & Procurer/s.

**Illustration:**

by



2



If the Declared Cycle Loss is 20% whereas the Actual Cycle Loss is 25%, then the applicable amount on 5% (i.e. 25%-20%) additional input energy shall be billed and recovered from the Developer at the approved Average Power Purchase Cost of Solar Power (UPERC approved for the applicable year).

S. No.	Particulars	Unit	Legend	Amount
1	Declared Cycle Loss	%	A	20
2	Monthly Output	MWh	B	90,000
3	Input Energy required @Declared Cycle Loss	MWh	$C=B/(1-A)$	1,12,500
4	Actual Cycle Loss	%	D	25
5	Actual Input Energy Required	MWh	$E=B/(1-D)$	1,20,000
6	Excess Input Energy required	MWh	$F=E-C$	7,500
7	APPC rate (as approved by UPERC)	INR per unit	G	3.85 (illustrative)
8	<b>Additional input energy charges</b>	INR per unit	$H=G*2$	7.70
9	<b>MFC</b>	INR	I	40,00,00,000
10	<b>Adjusted MFC</b>	INR	$J=I-(H*F*1000)$	34,22,50,000

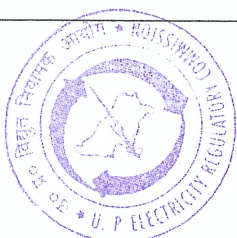
12.2.3. The calculation for Cycle Loss shall be part of the Monthly Bill raised by the Developer and Procurer will have the rights to accept or dispute the claims in this regard as per Clause 13.3 and Clause 13.7.

12.2.4. Based on machine availability by developers, SLDC shall provide time block for pumping and generation, and schedule the injection into grid. Any deviation from the schedule shall be addressed as per CERC Deviation Settlement Mechanism Regulations as applicable.

- b) Article 15.1.1: **"Change in Law"** means the occurrence of any of the events, outlined in the Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021, after the 11.10.2024 (last date of bid submission) resulting in any additional recurring/ non-recurring expenditure by the Developer or any income to the Developer.

The provisions for Change in Law shall be in accordance with the Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 notified by Ministry of Power vide notification dated 22nd October 2021 including amendments and clarification thereof issued from time to time."

by



3

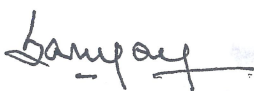




c) Article 21.1: **"Appropriate Commission"** shall mean the Uttar Pradesh Electricity Regulatory Commission referred to in Section 86 of the Electricity Act, 2003, or its successors.

21. Accordingly, the Commission finds that bidding process was conducted in compliance to the guidelines and approved bidding documents, therefore, adopts the tariff of Rs. 77,15,447/- (Rupees Seventy-Seven Lakh fifteen thousand four hundred forty-seven) exclusive of GST @cycle loss of 23% discovered through Tariff based complete bidding process under Section 63 of the Electricity Act, 2003 and approves the Pumped Hydro Storage Power Procurement Agreement (PHSPPA) dated 30.04.2025 executed between Uttar Pradesh Power Corporation Limited and JSW Energy PSP Six Ltd. for procurement of 1500MW Pumped Storage based hydro power for long-term period of 40 years. The parties are directed to sign the Supplementary PHSPPA in view of discussions at paragraph 20 of this Order and place on record in the matter.

The Petition stands disposed of in terms of above.

  
(Sanjay Kumar Singh)  
Member



  
(Arvind Kumar)  
Chairman

Place: Lucknow  
Dated: 30.12.2025