

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

PRESENT:-

Thiru M.Chandrasekar

.... Chairman

and

Thiru K.Venkatasamy

.... Member (Legal)

P.P.A.P. No. 4 of 2021

Tamil Nadu Generation and Distribution Corporation Ltd.
(Represented by the CE/NCES/TANGEDCO)
144, Anna Salai,
Chennai – 600 002

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

Date of hearing : 04-01-2022

Date of order : 11-01-2022

ORDER

The P.P.A.P.No.4 of 2021 came up for hearing on 04-01-2022. The Commission, upon perusal of the petition and connected records and after hearing the submissions of the petitioner hereby makes the following order:-

ORDER

1. Prayer of the Petitioner in PPAP No.4 of 2021:-

- i. For adoption of tariff ranging from Rs.4.50 per unit at TANGEDCO periphery in procurement of 180 MW RTC power for the period from 6th September '2021 to 30th September '2021 under Tender No. 13 of 2021.
- ii. For approval for the procurement of 107.506 MU for the period from 6th September '2021 to 30th September '2021.
- iii. To pass such other orders as this Commission may consider deemed fit and proper.

2. Facts of the case:-

2.1. Reviewing the power position for the month of September 2021, TANGEDCO anticipated that 1000 MW was needed to meet the minimum demand where there is a considerable increase in demand due to receding of wind power generation and reopening of various commercial activities in phased manner after COVID restrictions. Under such circumstances, TANGEDCO filed Miscellaneous petition No. 40 of 2021 seeking approval and ratification for having initiated the tender process and issued LOA to a quantum of 180 MW RTC power for the supply period from 06.09.2021 to 30.09.2021. Commission accorded approval in its order dated 09.11.2021 for this tender process and directed the petitioner to file the adoption petition.

2.2. During August '21 coal shortage prevailed at national level. In first week of September 2021, MoP had taken necessary steps to redistribute coal to the plants

having critical coal stocks and eased out the coal stock position. Moreover TAQA, IL&FS and Kudankulam stations have resumed their generation which enhanced the availability during September '21. Hence TANGEDCO has issued LoAs to the successful bidders up to 180 MW at the rate of Rs.4.50 per Unit. Under this circumstance after availing the aforesaid power, TANGEDCO filed this petition for adoption of the above tariff.

3. Contentions of the petitioner:-

3.1. The petitioner has stated that all 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

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 power position for the month of September'21 was reviewed by TANTRANSCO and it was anticipated that 1000 MW was needed to meet minimum demand where there is a considerable increase in demand due to receding of wind power generation and reopening of various commercial activities in phased manner after COVID restrictions. Therefore, a short term tender (TANGEDCO/SHORT/PP13-

2021) was floated for procurement up to 750 MW RTC power from 06.09.2021 to 30.09.2021.

3.3. 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 18.08.2021.

3.4. The non-financial technical bids were opened on 26.08.2021. Totally 9 bids were received from 3 bidders are as follows:

Sl. No.	Name of the Bidder	No of bids
1	PTC India Ltd	6
2	Shree Cement Limited	2
3	Manikaran Power Ltd	1
Total number of bids		9

3.5. The Initial price offer was opened on 31.08.2021 and e-Reverse Auction taken place on the same day. The details of the bidders and rate emerged per unit in e-Reverse Auction and on further negotiation are as follows:

Period	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.
06.09.21 to 30.09.21	PTC India Ltd	Jammu & Kashmir State Power Development Corporation Ltd	100	4.50	100	4.50
		ONGC Tripura Power Company Ltd	40	4.80	40	4.50
		Sembcorp Energy India Ltd	40	4.90	250	4.50
	Manikaran Power Ltd	Dhariwal Infrastructure Limited Unit I	65	5.05	65	4.90
	PTC India Ltd	Jaypee Nigrie Super Thermal Power Plant (JNSTPP – MP - WR)	50	5.90	50	4.50
		Jindal Power Ltd, Chattisgarh	100	5.94	100	4.50
		Government of Himachal Pradesh (GoHP)	140	6.00	140	6.00
	Shree Cement Limited	SCL Power Plant in Rajasthan – CTU connected	100	7.52	100	7.52
		SCL Power Plant in Rajasthan – STU connected	40	11.35	40	11.35

3.6. During August '21 coal shortage prevailed at national level. In first week of September'21, MoP had taken necessary steps to redistribute coal to the plants having critical coal stocks and eased out the coal stock position. Moreover TAQA, IL&FS and Kudankulam stations have resumed their generation which enhanced the availability during September '21.

Hence TANGEDCO has issued LoAs to the successful bidders up to 180 MW at the rate of Rs.4.50 and the details are as follows:

Period	Name of the bidder	Source of Power	Quantum in MW	Rate per unit in Rs.
06.09.21 to 30.09.21	PTC India Ltd	Jammu & Kashmir State Power Development Corporation Limited located in J&K in NR.	100	4.50
		ONGC Tripura Power Company Limited located in Tripura in NER	40	4.50
		Sembcorp Energy India Ltd Project-2 located in AP in SR	40	4.50

3.7. TANGEDCO filed Miscellaneous petition (M.P. No: 40 of 2021) seeking approval and ratification for initiated the tender process and issued LOA to a quantum of 180 MW RTC power for the supply period from 06.09.2021 to 30.09.2021. The Commission has accorded approval in its order dated 09-11-2021.

3.8. 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 .

4. Findings of the Commission:-

4.1. The prayer of the Petitioner in this petition is to adopt the tariff of Rs.4.50 per unit at TANGEDCO periphery in procurement of 180 MW RTC power during the period from 6th September '21 to 30th September'21 under Tender No. 13 of 2021 and also for approval for the procurement of 107.506 MU.

4.2. We have gone through the petition filed by the Petitioner. This Commission has approved and ratified the power procurement of 180 MW by TANGEDCO for the period from 6-9-21 to 30-9-2021 in M.P.No.40 of 2021 dated 9-11-2021. The present petition is the sequel to the said Miscellaneous Petition for the adoption of tariff.

4.3. Based on the indent for power procurement given by the Chief Engineer/Grid operation the Petitioner has floated a tender through MoP's e-bidding DEEP Portal.

4.4. TANGEDCO has issued LoAs to the successful bidders up to 180 MW at the rate of Rs.4.50 and the details are as follows:

Period	Name of the bidder	Source of Power	Quantum in MW	Rate per unit in Rs.
06.09.21 to 30.09.21	PTC India Ltd	Jammu & Kashmir State Power Development Corporation Limited located in J&K in NR.	100	4.50
		ONGC Tripura Power Company Limited located in Tripura in NER	40	4.50
		Sembcorp Energy India Ltd Project-2 located in AP in SR	40	4.50

It has been stated by the Petitioner that they have procured 107.506 MU during the period from 06-09-2021 to 30-09-2021.

4.5. Based on the directions of the Commission in the above said M.P.No.40 of 2021 dated 9-11-2021, 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 Portal e-bidding Portal as per the Ministry of Power guidelines dated 30-03-2016 and in accordance with the provisions of the Request for Proposal, TANGEDCO/SHORT/PP-13/2021 dated 18-8-2021 and Corrigendum no.1 dt.21.8.2021.

4.6. As per section 63 of the Electricity Act, 2003 (Central Act 36 of 2003), the Commission shall adopt the tariff if such tariff has been determined through

transparent process of bidding in accordance with the guidelines issued by the Central Government. In this case, the Petitioner has obtained the quantity approval of the Commission in the said M.P.No.40 of 2021 and the Commission has already approved and ratified certain deviations from MoP guidelines as stated in the said Miscellaneous Petition. In the above circumstances, the Commission adopts the procurement of 107.506 MU by the Petitioner at Rs.4.50 / Unit during the period from 06.09.2021 to 30.09.2021.

Ordered accordingly.

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

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

/True Copy /

Secretary
Tamil Nadu Electricity
Regulatory Commission