

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

**PRESENT:**

ThiruM.Chandrasekar .... Chairman  
Dr.T.PrabhakaraRao .... Member  
and  
ThiruK.Venkatasamy .... Member (Legal)

**P.P.A.P. No.2 of 2020**

Tamil Nadu Generation and Distribution  
Corporation Limited  
144, Anna Salai  
Chennai – 600 002.

... Petitioner  
(ThiruM.Gopinathan, Standing  
Counsel for TANGEDCO)

**Date of hearing : 02-06-2020**

**Date of Order : 09-06-2020**

The P.P.A.P. No.2 of 2020 came up for hearing on 02-06-2020. The Commission upon perusal of the petition and connected records and after hearing the submissions of the petitioner hereby makes the following:-

**ORDER**

**1. Prayer of the Petitioner in P.P.A.P. No.2 of 2020:-**

The prayer of the petitioner in this petition is for adoption of tariff ranging from Rs.3.80 per unit to Rs.4.15 per unit at TANGEDCO periphery in procurement of 300 to 750 MW RTC power for the period from 15<sup>th</sup> February 2020 to 21<sup>st</sup> May 2020 against Tender No.11 of 2019 and for approval for the procurement of 1272 MU for the period 15<sup>th</sup> February 2020 to 21<sup>st</sup> May 2020.

## **2. Facts of the Case:-**

The petition has been filed under section 63 of the Electricity Act, 2003 seeking adoption of tariff for procurement of 300 MW to 750 MW of RTC power from 15<sup>th</sup> February 2020 to 21<sup>st</sup> May 2020 from traders / generators in pursuance of the Tender No.11 of 2019 floated by Tamil Nadu Generation and Distribution Corporation Limited.

## **3. Contentions of the Petitioner:-**

3.1. The 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 - 16151 MW met on 03-04-2019
- b. All time high consumption - 369.940 MU met on 12-04-2019

3.2. The power position for the period from February 2020 to May 2020 has been reviewed by SLDC / TANTRANSCO. After assessing demand and availability, TANTRANSCO has given indent for the summer months as follows:-

- 15-02-2020 to 29-02-2020 - 300 MW
- March 2020 - 500 MW
- April 2020 - 1000 MW
- 01-05-2020 to 21-05-2020 - 800 MW

3.3. In order to ensure seamless flow of power to meet the anticipated deficit, Miscellaneous Petition was filed on 20-11-2019 before the Commission for procurement of 300 MW to 1000 MW RTC power under Short Term through E-bidding Portal (DEEP), as per the guidelines issued by Ministry of Power.

3.4. In view of urgency to ensure the availability of transmission corridor, tender was floated for procurement of 300 MW power for 15<sup>th</sup> February 2020 and 500 MW for March 2020 to 21<sup>st</sup> May 2020. Tender event was activated in DEEP Portal on 29-11-2019, as all power procurement shall be done through DEEP portal as per Ministry of Power Guidelines. NIT was also published in two English all India edition viz Times of India and Indian Express and Tamil News Papers viz Dinamalar and Dinathanthi on 30-11-2019 besides TANGEDCO website.

3.5. The non-financial technical bids were opened on 06-12-2019 at 12.00 hrs  
Totally 22 number of bids were received as follows:-

Sl. No.	Name of the Bidder	No. of Bids
1	Manikaran Power Limited	4
2	Shree Cements	2
3	Tata Power Trading Company Limited	1
4	Sembcorp Energy India Limited	2
5	PTC India Limited	5
6	NVVN Limited	5
7	OPG Power Generation Limited	1
8	NHPC Limited	1
9	GMR Energy Trading Limited	1
	<b>Total number of bids</b>	<b>22</b>

3.6. All bidders have accepted the terms and conditions of RFP without any deviation and uploaded the proof for payment of required EMD in the form of Bank Guarantee and the proof for having paid the tender processing fees. As all the bids were in order as per the RFP, all bids were considered for opening of price bids.

3.7. The following are the successful bidders in the bucket filling and rate emerged.

Sl. No.	Period	Quantum requested in MW	Name of the bidders and source of power	Quantum offered by bidders in MW	Rate offered per unit in Rs.
1	15-02-2020 to 29-02-2020	300	Manikaran Power Limited. (VS Lignite Power Pvt. Ltd., Rajasthan – NR)	100	3.80
			Sembcorp Energy India Limited – (Project-2, 2x660 MW Andhra Pradesh)	200	3.80
2	01-03-2020 to 31-03-2020	500	Manikaran Power Limited (VS Lignite Power Pvt. Ltd. Rajasthan – NR)	100	3.95
			GMR Energy Trading Limited (Utility in Northern Region)	100	3.95
			NHPC Limited (DB Power Limited, Chhattisgarh)	100	3.95
			OPG Power Generation Pvt. Ltd. (110 KV and 230 KV)	20	3.96
			Manikaran Power Limited (Coastal Energen Pvt. Ltd. Tuticorin)	180	4.00
3	01-04-2020 to 30-04-2020	500	NTPC VidyutVyapar Nigam Limited (Adani Power Ltd. – Mundra)	500	4.13
4	01-05-2020 to 21-05-2020	500	NTPC VidyutVyapar Nigam Limited (Adani Power Ltd. – Mundra)	300	4.15
			Sembcorp Energy India Limited – (Project-2, 2x660 MW Andhra Pradesh)	200	4.15

3.8. The Commission during the hearing on 10-12-2019 directed to go ahead with the procurement of power so that the availability of transmission corridor could be ensured by the successful bidders.

3.9. Procurement of power does not require any evaluation and lowest rate emerged in RA will be the lowest tenderer. In case of multiple sellers offered the same rate, the time stamping will be considered for ranking. Hence, as per the bucket filling, the L1 bidders in each month requisition were addressed to offer further reduction in RA emerged rate. But the sellers have expressed their inability to reduce further in the rate offered in Reverse Auction.

3.10. Three of the successful bidders have offered 300 MW at Rs.3.95 per unit in requisition for March 2020, two of the remaining successful bidders in the bucket filling have offered Rs.3.96 per unit (20 MW by M/s. OPG) and Rs.4.00 per unit (180 MW by M/s. Coastal). Hence, they were addressed to match the L1 rate of Rs.3.95 per unit. M/s. OPG have agreed to match the L1 rate. However, M/s.Manikaran Power Ltd. (Coastal EnergenPvt. Ltd.) did not agree to match the L1 rate.

3.11. The tender was floated with reduced requisition / quantum with the decision to increase the quantum to the requirement, if rate is found reasonable. As the rate emerged is reasonable, an additional quantum of 250 MW power for April 2020 has been considered to be procured from Sembcorp Energy India Ltd. (SEIL) whose rate emerged as L2 and L3 (Rs.4.13 per unit) and they are in Southern Region. Hence, Letter of Awards were issued to the bidders in the bucket filling and SEIL (Project 1 & 2) for April 2020.

3.12. The details of LOAs issued are as follows:-

Name of the Bidders	Price discovered in RA (Rs.perkwhr)	15-02-2020 to 29-02-2020	01-03-2020 to 31-03-2020	01-04-2020 to 30-04-2020	01-05-2020 to 21-05-2020
Manikaran / VS Lignite Power Pvt. Ltd., Rajasthan	3.80-3.95	100 MW	100 MW	-	-
Sembcorp Energy India Limited / Project 2	3.80-4.15	200 MW	-	100 MW	200 MW
Sembcorp Energy India Limited / Project 1	4.13	-	-	150 MW	-
GMR / HPPC	3.95	-	100 MW	-	-
NHPC / DB Power	3.95	-	100 MW	-	-
OPG Power Generation Pvt. Ltd.	3.95	-	20 MW	-	-
Manikaran / Coastal Energen Pvt. Ltd.	4.00	-	180 MW	-	-
NVVN /Adani Power Ltd. - Mundra	4.13 – 4.15	-	-	500 MW	300 MW
<b>TOTAL</b>		<b>300 MW</b>	<b>500 MW</b>	<b>750 MW</b>	<b>500 MW</b>

3.13. 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 We have heard the submission of the learned Standing Counsel for TANGEDCO appearing for the petitioner. This petition is sequel to the orders issued in M.P. No.12 of 2019 dated 10-01-2020 wherein this Commission has approved for procurement of 300 MW to 1000 MW RTC power for supply through the process of e-bidding through MoP's e-bidding Portal (DEEP) as detailed below:-

Sl. No.	Period	RTC Quantum in MW
1	February 15-02-2020 to 29-02-2020	300 MW
2	March 2020	500 MW
3	April 2020	1000MW
4	May 2020 (01-05-2020 to 21-05-2020)	800 MW

4.2. It is stated by the petitioner that in view of urgency to ensure the availability of transmission corridor, tender was floated. In view of urgency to ensure the availability of transmission corridor, tender was floated for procurement of 300 MW power for 15<sup>th</sup> February 2020 and 500 MW for March 2020 to 21<sup>st</sup> May 2020. Tender event was activated in DEEP Portal on 29-11-2019, as all power procurement shall be done through DEEP portal as per Ministry of Power Guidelines. NIT was also published in two English all India edition viz Times of India and Indian Express and Tamil News Papers viz Dinamalar and Dinathanthi on 30-11-2019 besides TANGEDCO website.

4.3. The non-financial technical bids were opened on 06-12-2019 at 12.00 hrs and 22 bids were received. The successful bidders are as follows:-

Sl. No.	Period	Quantum requested in MW	Name of the bidders and source of power	Quantum offered by bidders in MW	Rate offered per unit in Rs.
1	15-02-2020 to 29-02-2020	300	Manikaran Power Limited. (VS Lignite Power Pvt. Ltd., Rajasthan – NR)	100	3.80
			Sembcorp Energy India Limited – (Project-2, 2x660 MW Andhra Pradesh)	200	3.80
2	01-03-2020 to 31-03-2020	500	Manikaran Power Limited (VS Lignite Power Pvt. Ltd. Rajasthan – NR)	100	3.95
			GMR Energy Trading Limited (Utility in Northern Region)	100	3.95
			NHPC Limited (DB Power Limited, Chhattisgarh)	100	3.95
			OPG Power Generation Pvt. Ltd. (110 KV and 230 KV)	20	3.96
			Manikaran Power Limited (Coastal Energen Pvt. Ltd. Tuticorin)	180	4.00
3	01-04-2020 to 30-04-2020	500	NTPC VidyutVyapar Nigam Limited (Adani Power Ltd. – Mundra)	500	4.13
4	01-05-2020 to 21-05-2020	500	NTPC VidyutVyapar Nigam Limited (Adani Power Ltd. – Mundra)	300	4.15
			Sembcorp Energy India Limited – (Project-2, 2x660 MW Andhra Pradesh)	200	4.15

4.4. Three of the successful bidders have offered 300 MW at Rs.3.95 per unit in requisition for March 2020, two of the remaining successful bidders in the bucket filling have offered Rs.3.96 per unit (20 MW by M/s. OPG) and Rs.4.00 per unit (180 MW by M/s. Coastal). Hence, they were addressed to match the L1 rate of Rs.3.95 per unit. M/s. OPG have agreed to match the L1 rate. However, M/s. Manikaran Power Ltd. (Coastal Energen Pvt. Ltd.) did not agree to match the L1 rate.



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4.6. The details of LOAs issued are as follows:-

Name of the Bidders	Price discovered in RA (Rs.perkwhr)	15-02-2020 to 29-02-2020	01-03-2020 to 31-03-2020	01-04-2020 to 30-04-2020	01-05-2020 to 21-05-2020
Manikaran / VS Lignite Power Pvt. Ltd., Rajasthan	3.80-3.95	100 MW	100 MW	-	-
Sembcorp Energy India Limited / Project 2	3.80-4.15	200 MW	-	100 MW	200 MW
Sembcorp Energy India Limited / Project 1	4.13	-	-	150 MW	-
GMR / HPPC	3.95	-	100 MW	-	-
NHPC / DB Power	3.95	-	100 MW	-	-
OPG Power Generation Pvt. Ltd.	3.95	-	20 MW	-	-
Manikaran / Coastal Energen Pvt. Ltd.	4.00	-	180 MW	-	-
NVVN /Adani Power Ltd. – Mundra	4.13 – 4.15	-	-	500 MW	300 MW
<b>TOTAL</b>		<b>300 MW</b>	<b>500 MW</b>	<b>750 MW</b>	<b>500 MW</b>

4.7. Taking into account the above submission of TANGEDCO and in view of the fact that power has already been procured and flown into the TANGEDCO's grid, the Commission under section 63 of the Electricity Act, 2003 adopts the rate ranging from Rs.3.80 per unit to Rs.4.15 per unit at TANGEDCO periphery in procurement of 300-750 MW RTC power for the period from 15<sup>th</sup> February 2020 to 21<sup>st</sup> May 2020 against Tender No.11 of 2019 and also approve the procurement of 1272 MU for the period from 15<sup>th</sup> February to 21<sup>st</sup> May 2020.

Ordered accordingly.

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

(Sd.....)  
**(Dr.T.PrabhakaraRao)**  
Member

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

/True Copy /

Secretary  
Tamil Nadu Electricity  
Regulatory Commission