

**Before**

**UTTARAKHAND ELECTRICITY REGULATORY COMMISSION**

**Petition No. 78 of 2025**

**In the matter of:**

Petition seeking adoption of Tariff for the procurement of 500 MW Round the Clock (RTC) coal-based power through tariff-based competitive bidding process on a medium-term basis for a period of 4 years, extendable by 1 year.

**In the matter of:**

Uttarakhand Power Corporation Ltd. .... Petitioner

**AND**

**In the matter of:**

M/s Jindal Power Limited.

M/s Power Pulse Trading Solutions Limited. .... Respondents

**CORAM**

<b>Shri M.L. Prasad</b>	<b>Chairman</b>
<b>Shri Anurag Sharma</b>	<b>Member (Law)</b>
<b>Shri Prabhat Kishor Dimri</b>	<b>Member (Technical)</b>

**Date of Order: December 17, 2025**

This Order relates to the Petition dated 03.12.2025 and additional submission dated 05.12.2025, filed by Uttarakhand Power Corporation Ltd. (hereinafter referred to as "UPCL" or "Petitioner" or "Licensee"), under Section 86(1)(b), read with Section 63, of the Electricity Act, 2003 and Regulation 59 of the UERC (Conduct of Business) Regulations, 2014, seeking adoption of tariff for the procurement of 500 MW Round-The-Clock (RTC) coal-based power through tariff-based competitive bidding process on a medium-term basis for a period of 4 years, extendable by 1 year, and approval of the Agreement for Procurement of Power (APP) proposed to be executed with the two selected bidders, namely M/s Powerpulse Trading Solutions Ltd. (hereinafter referred to as "M/s PTS") and M/s Jindal Power Limited (hereinafter referred to as

“M/s JPL”), in accordance with the Standard Bidding Documents, applicable competitive bidding guidelines and incorporating the deviations/clarifications/modifications as approved by the Commission.

## **1. Petitioner’s Submissions**

- 1.1 The Licensee under Section 86(1)(b), read with Section 63, of the Electricity Act, 2003 and Regulation 59 of the UERC (Conduct of Business) Regulations, 2014 filed a Petition seeking adoption of tariff for the procurement of 500 MW Round-The-Clock (RTC) coal-based power through tariff-based competitive bidding process on a medium-term basis for a period of 4 years, extendable by 1 year, through the two selected bidders, namely M/s Powerpulse Trading Solutions Ltd. (hereinafter referred to as “M/s PTSL”) and M/s Jindal Power Limited (hereinafter referred to as “M/s JPL”).
- 1.2 The Petitioner, while referring to Regulation 73 of the MYT Regulations, 2024 and directions given to UPCL in the Tariff Order dated 28.03.2024 for FY 2024-25 and 11.04.2025 for FY 2025-26 issued by the Commission, submitted that the present power procurement exercise was undertaken in compliance with the binding directions, observations, and regulatory mandates issued by the Commission from time to time, requiring the Petitioner to reduce its excessive dependence on short-term power purchases and to secure adequate long-term and medium-term power tie-ups. The Petitioner further submitted that the consistent regulatory stance of the Commission has been that reliance on short-term or exchange-based procurement adversely impacts consumer interest by exposing consumers to volatile market prices and risks of load shedding, and, accordingly, the Petitioner was repeatedly directed to plan and procure the bulk of its power requirement from cost-effective long-term and medium-term sources through transparent competitive bidding.
- 1.3 The Petitioner submitted that in fulfillment of its obligation to ensure reliable, affordable, and uninterrupted power supply to the consumers of the State, UPCL undertook a transparent, competitive bidding process through the DEEP Portal (MSTC Platform), the authorized e-bidding platform established by the Ministry of Power (MoP), Government of India, and recognized for tariff-based competitive bidding under Section 63 of the Electricity Act, 2003. The tender was floated for procurement of 500 MW RTC coal-based power on a medium-term basis for a period of four (4) years, extendable by one (1)

additional year.

- 1.4 The Petitioner submitted that during the process, certain issues arose in relation to specific provisions of the bidding documents, namely the Request for Qualification (RFQ), Request for Proposal (RfP), and the Agreement for Procurement of Power (APP), and in order to avoid any deviation from the applicable competitive bidding framework, UPCL filed a Petition before the Commission seeking clarification and approval of the concerned clauses. The Commission vide its Order dated 15.05.2025, provided the requisite clarifications thereby enabling the Petitioner to proceed with the subsequent stages of bidding in conformity with regulatory requirements.
- 1.5 The Petitioner submitted that subsequent thereto, the Petitioner engaged in consistent communication with the Commission through various letters & submissions and the Commission issued its responses therein, guiding the Petitioner on compliance expectations and procedural safeguards. Further, presentations were also made before the Commission for justification of quantum of 500 MW RTC based medium term power procurement wherein the assumptions, calculations etc. were discussed.
- 1.6 The Petitioner submitted that, subsequently the Commission initiated Suo-motu proceedings with respect to the grant of in-principle approval for the medium-term power procurement, and an Order dated 06.11.2025 was issued by the Commission according conditional in-principle approval for the procurement where-in the decision of the quantum to be procured through MTPP was left on the dispensation of UPCL.
- 1.7 The Petitioner submitted that the in-principle approval granted by the Commission vide its Order dated 06.11.2025 was accompanied by certain conditions, including (but not limited to):
  - (a) Prohibition on surrendering/backing down of contracted power, irrespective of real-time demand fluctuations or grid contingencies;
  - (b) Requirement to pre-identify and finalize banking arrangements in advance, notwithstanding the dynamic and evolving nature of energy-banking markets; and
  - (c) Stipulation that no cost associated with surrender/backing down of power shall be passed on to the consumers under any circumstance.

UPCL submitted that the conditions imposed by the Commission posed operational and practical challenges in ensuring optimal utilization of medium-term power procurement.

- 1.8 The Petitioner submitted that consequently, UPCL vide its letter dated 26.11.2025, approached the Commission to reconsider the aforesaid conditions, however, the Commission vide its submission dated 27.11.2025 observed that it did not find any merit in the contentions raised by the Petitioner and clarified that the Order dated 06.11.2025 was clear and unambiguous in its import and application, and in addition had clarified that any cost that may arise on account of exceptional circumstances or for reasons beyond control of UPCL may be allowed. The Petitioner further submitted that the Commission has also clarified that 450-500 MW deficit could be assessed considering deficits of the year FY 2024-25 and non-application of Unallocated Quota by UPCL, and accordingly, directed UPCL to assess the requirement of power to be procured from MTPP to meet the assessed deficit.
- 1.9 The Petitioner submitted that on a conjoint reading of the Order dated 06.11.2025 with the Commission's letter dated 27.11.2025, the entire onus of efficiently utilizing the medium-term power procured under this process has been placed upon the Petitioner. The Petitioner submitted that UPCL concentrates all its efforts towards power portfolio management in the best possible manner and there may be instances where UPCL may be in surplus due to reasons beyond its control. That surplus will either be traded in exchange based on real time prices or be surrendered/backed down as per economic principles, and requested the Commission to consider this submission.
- 1.10 The Petitioner submitted that it had received a total of 3 Nos. of bids and after evaluation in accordance with the prescribed criteria, two bidders emerged as technically responsive and commercially competitive namely,
  - (i) Jindal, offering 150 MW of RTC power at a tariff of ₹ 5.85/kWh, and
  - (ii) M/s Power Pulse, offering 350 MW of RTC power at a tariff of ₹ 5.85/kWh at CTU Periphery at generator's end.

The Petitioner submitted that their quoted tariffs were identical, and both were the lowest (L1) discovered tariff under the competitive bidding process, and as per the

aggregate 500 MW requirement, the two successful bidders may be allotted the quantum as above.

- 1.11 The Petitioner submitted that the conditions imposed by the Commission under paragraphs 3.21 and 3.22 of the Order dated 06.11.2025, inter alia relating to compulsory banking arrangements, rigid restrictions on surrender/backing down of power, mandatory comparative analysis of upcoming technologies, and a series of financial and operational stipulations, are, with respect, non-operational in nature and incapable of practical implementation. The Petitioner submitted that the power system is intrinsically dynamic, with demand and grid conditions fluctuating on a continuous real-time basis due to factors such as seasonal variations, weather contingencies, hydrological conditions, renewable intermittency, and grid-stability requirements, and asserted that the imposition of fixed, inflexible operational conditions disregards these fundamental technical realities and is inconsistent with the regulatory scheme under Section 86(1)(b) of the Electricity Act, 2003, which envisages a balanced approach that protects consumer interest while enabling practical system operation.
- 1.12 The Petitioner further submitted that the conditions contained in the Order dated 06.11.2025 requiring UPCL to explore alternative options (including technological alternatives or flexible resources) prior to finalization of the medium-term procurement may kindly be waived as UPCL requires augmentation of dependable base-load capacity to ensure stability of the State's power portfolio.
- 1.13 UPCL submitted that the Commission, while imposing the said conditions, has relied upon the power projections contained in the Tariff Order dated 11.04.2025, wherein approximately 388 MUs (equivalent to ~52 MW annual average and ~127 MW during the period November 2025 to March 2026 at 85% PLF) was considered for procurement through Medium/Long-Term sources. The Petitioner submitted that these projections were formulated only for the purpose of annual planning under Regulation 73 of the UERC MYT Regulations, 2024, and were not intended to determine or cap the quantum to be procured under the present medium-term tender. The Petitioner's procurement plan and the competitive bidding undertaken were premised on an assessed deficit of approximately 500 MW power, which is entirely distinct from the projection-based 52 MW figure.

1.14 The Petitioner submitted that UPCL has adopted the projected demand growth trajectory as per the CEA's Resource Adequacy Studies prepared specifically for the State of Uttarakhand and, therefore, UPCL should not be held liable for any future deviation in actual demand growth, renewable (solar) capacity addition, captive generation addition, increase in Open Access transactions, or any other market-driven or consumer-driven development which is inherently beyond the reasonable control of UPCL. Further, any costs or variations arising from such unforeseen deviations must not be attributed to UPCL, as these are exogenous factors that cannot be anticipated with absolute precision at the time of the bidding process or procurement planning.

1.15 The Petitioner submitted that the Commission may not impose operational conditions that conflict with MOD, which is a cornerstone of economic dispatch and prudence in power procurement.

1.16 The Petitioner further submitted that the order dated 06.11.2025 also employs open-ended expressions such as "exceptional circumstances" and "except for exceptional circumstances" while restricting surrender/backing down, banking, and other operational actions. These terms, however, are neither defined nor illustrated anywhere in the order, the MYT Regulations, the Tariff Regulations, nor in the bidding guidelines under Section 63, and, therefore, as per the understanding of the Petitioner, "exceptional circumstances" shall logically and necessarily include but not limited to, faced on day to day basis while managing the dynamic power system of the State, the following scenarios:

- Where there exist a chance/anticipation of grid instability in terms of unscheduled interchange (UI) like OD, UD etc.
- Where there exist any policy change/ regulatory changes/current regulatory directions for which UPCL is bound to comply.
- Where there exists variation in demand due to force majeure events which includes, but not limited to, acts of God, flood, fire, earthquake, cyclone, hurricane, exceptionally adverse weather conditions, war, riots, strikes, pandemic, or any other such similar natural/unnatural act or omission beyond the control of UPCL.
- Where there exist an unusual/unpredictable/unforeseen weather events/patterns/

variations impacting demand of the State beyond the scope of medium/long term planning.

- e) Where there is a constraint of transmission system w.r.t. Central as well as State transmission utility, due to factors not in control of UPCL.
- f) Where there is an upward trend of availability from firm tied up capacity including Merit as well as Must Run category of plants (Sources of generation Coal, Gas, Hydro, Solar, Wind/Hybrid, Biomass etc.) w.r.t. historical availability.
- g) Where there's an uncontrollable variation in demand pattern attributable to factors viz., unusual increase in open access, dispatch from distributed renewable energy systems (DREs), captive generation, or other such sources.
- h) Where there is a change in demand supply position of the nation (including all the other DISCOMs and utilities in India) due to any reason impacting power market dynamics.
- i) Where there exists an unwillingness of States/ Utilities to exchange power (Power Swap / Banking).
- j) Where there exists an unprecedented event, due to which demand drop occur at any horizon of time.
- k) Where there exists any deviation between the considered projected demand (based on CEA's Resource Adequacy Studies) w.r.t. actual demand of the State in upcoming years.
- l) Where there exists any opportunity of cost optimization through other cheaper sources arisen out of market dynamics in future.

The Petitioner further submitted that at times due to surplus, inadequate tie ups of banking despite best efforts of UPCL, crashing of demand, increase in availability etc. may lead to situation of surrendering/backing down of power, hence, the Commission may consider all these scenarios under circumstances beyond the control of UPCL and allow the cost of the same as also opined by the Commission in its letter dated 27.11.2025.

1.17 The Petitioner submitted that in light of the onus explicitly placed upon the Petitioner by the Commission to utilize the medium-term procurement "in the best possible manner beneficial to consumers," the Petitioner submits that only an unconditional adoption of

tariff discovered through the transparent competitive bidding process can restore regulatory certainty, enable efficient implementation, and prevent avoidable consumer burden.

- 1.18 The Petitioner also submitted before the Commission the draft Agreement for Procurement of Power (APP) proposed to be executed with the selected bidders pursuant to the medium-term competitive bidding process, prepared in accordance with the Standard Bidding Documents and the Guidelines issued by the Ministry of Power under Section 63 of the Electricity Act, 2003 incorporating the deviations/clarifications/modifications as approved by the Commission. The Petitioner sought approval of the Commission on the draft APP, along with the approval of the exceptional circumstances/conditions, as stated herein above by the Petitioner, so that the contractual arrangements may be executed in a timely manner upon adoption of tariff, thereby ensuring uninterrupted commencement of supply in the interest of the consumers of the State.
- 1.19 The Petitioner further submitted that with respect to the Commission's direction in the letter dated 27.11.2025 to assess the impact of GST rate reduction on the coal prices, the present Petition has been filed seeking adoption of the discovered tariff as on the bid due date. Since the event of GST rate reduction is an event subsequent to the Bid Due Date, its implications shall be dealt with as per the provisions of the APP, and also any tax related implications can only be assessed on actual basis once the power supply commences. The Petitioner, accordingly, requested the Commission to adopt the Tariff discovered as on the Bid Due Date and submitted that the selected bidders will be required to submit the details of the differences so accrued to them with the invoices raised by coal supplier(s) to UPCL for adjustment in their bills, so as to meet the provisions of Change in Law Clause of the Draft APP.
- 1.20 Subsequently, the Petitioner made an additional submission dated 05.12.2025 in continuation to the aforesaid Petition whereby it mainly submitted the chronology of the events from the initiation of the bidding process till the filing of the Petition for adoption of tariff.
- 1.21 The Petitioner in the aforesaid Petition submitted before the Commission to consider the following prayer as summarized herein below:

a. Adopt, under Section 63 of the Electricity Act, 2003, the tariff as discovered through the transparent competitive bidding process conducted on the DEEP Portal for procurement of 500 MW Round-the-Clock (RTC) medium-term power (150 MW from M/s Jindal Power Limited and 350 MW from M/s Power Pulse Trading Solutions Limited), and grant unconditional approval for procurement of the entire quantum of 500 MW RTC medium-term power, without the restrictive operational conditions imposed in the Hon'ble Commission's Order dated 06.11.2025. Details of the tariff discovered are tabulated below:

Sl. No.	Bidders	Quantum (MW)	Rate (Rs./kWh) at CTU periphery	Rate (Rs./unit) at State periphery after considering 3.5% transmission losses)*
1.	Jindal Power Limited	150	5.85	6.06
2.	Powerpulse Trading Solutions Limited	350	5.85	6.06

(\*Transmission charge is not included in this rate if power scheduled in the existing GNA and approximate 55 paise will be added if power is scheduled under TGNA).

b. Approve that UPCL shall be permitted to schedule power in accordance with the Merit Order Despatch (MOD) principle, and shall be free to surrender/backdown power procured under the present tender in any time block or series of time blocks, as may be necessitated by the State's power portfolio management requirements.

c. Permit UPCL to manage situations wherein it may remain in surplus in various time slots throughout the year (anticipated surplus-deficit scenario submitted on 15.09.2025) and, accordingly, permit UPCL to utilize such surplus power through sale on power exchanges or through surrender/backdown, based on real-time system conditions.

d. Permit UPCL to undertake banking of power, as per the requirements of the State's power portfolio following same principles as done in past, by planning in advance tie ups with other states and also through various OTC platforms. In case some power remains surplus the same may be traded in exchanges or surrendered/backed down based on real time/day ahead/power system requirement situations

e. Approve the Draft Agreement for Procurement of Power (APP) proposed to be executed with the selected bidders, as placed on record, in accordance with the Standard Bidding Documents, applicable competitive bidding guidelines and incorporating the

deviations/clarifications/modifications as approved by the Commission.

1.22 In the meantime, the Commission vide its letter dated 05.12.2025 sought information from UPCL on certain points w.r.t the Petition filed by it, in response to which UPCL vide its submission dated 08.12.2025 made its submission before the Commission. The queries raised and replies made given by UPCL are summarized herein below:

- i. The Commission asked UPCL to submit the complete set of documents related to the bidding process, in response to which UPCL asserted that the same has already been submitted before the Commission vide its additional submission dated 05.12.2025.
- ii. The Commission asked UPCL to submit the document related to issuance of LoA to the successful bidder, in response to which UPCL submitted that as per the NIT, LoA shall be issued after the approval of the Commission, and, accordingly, LoA shall be placed after approval of the Commission.
- iii. The Commission asked UPCL to submit the information regarding the validity of the bid and price discovery thereon, in response to which UPCL submitted that bid floated and subsequent price discovery are valid upto 28.12.2025 (M/s Power Pulse Trading Solutions Limited) and 31.12.2025 (M/s Jindal Power Limited) as extended by UPCL on the request of the bidders as per the clause 2.16 of the RFP document.
- iv. W.r.t the timeline for bidding process and requirement of signed PPA alongwith the certification certificate provided by evaluation committee & UPCL's Committee of Directors as per the guidelines for 'determination of tariff by bidding process for procurement of power by distribution licensee' and compliance thereof, UPCL submitted that the guidelines issued in the year 2010 have been repealed by MoP vide Order dated 10.02.2014, and UPCL has followed revised guidelines for procurement of electricity for Medium Term from power stations set up on FOO basis issued by the MoP dated 30.01.2019.

1.23 The Commission subsequently based on the submission made by UPCL admitted the Petition subject to the condition that UPCL issues LoA/LoI to the selected bidders in accordance with the "Guidelines and Model Bidding Documents (MBDs) for procurement of electricity for Medium Term from Power Stations set up on Finance, Own and Operate

(FOO) basis" issued by MoP, GoI.

- 1.24 The Commission also forwarded a copy of the draft Agreement for Procurement of Power (APP) to the successful bidders namely M/s Jindal Power Ltd. and M/s Powerpulse Trading Solutions Limited to seek their comments in the matter. In response to the same both the bidders namely M/s Jindal Power Ltd. and M/s Powerpulse Trading Solutions Limited vide their respective emails dated 12.12.2025 submitted before the Commission that they do not have any comments, objections, or suggestions in relation to the draft Agreement for Procurement of Power (APP) as aforesaid.
- 1.25 The Petitioner further vide its letter no. 10309/UPCL/D(P)/Comm/MTPP dated 11.12.2025 informed the Commission that in compliance of the direction given by the Commission vide its letter dated 10.12.2025, it has issued LoI to both the successful bidders, namely M/s Jindal Power Ltd. and M/s Powerpulse Trading Solutions Limited on 11.12.2025, considering that the Commission is in acceptance to all the reliefs sought by UPCL in its Petition dated 03.12.2025 for procurement of 500 MW RTC power through medium-term, including surrender of medium term power. The Petitioner also forwarded a copy of the same to the Commission.
- 1.26 The Respondent's submission, Petitioner's response and the Commission's view on the same are dealt with in the subsequent paras of this Order.

## **2. Commission's Views & Decisions**

### **2.1 Legal Requirement for approval of Agreement for Procurement of Power (APP)**

- 2.1.1 A PPA is a legal document incorporating operational, technical & commercial provisions to be complied in accordance with the relevant rules & regulations.
- 2.1.2 Section 86(1)(b) of the Electricity Act, 2003 stipulates that one of the functions of the Commission is to regulate electricity purchase and procurement process of the 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.
- 2.1.3 Further, the Distribution and Retail Supply License issued by the Commission lays down certain conditions of license, which amongst others also has the following:

*"5.1 The Licensee shall be entitled to:*

*(a) ...*

*(b) Purchase, import or otherwise acquire electricity from any generating company or any other person under Power Purchase Agreements or procurement process approved by the Commission;*

*..."*

***(Emphasis added)***

2.1.4 Regulation 39 of UERC (Conduct of Business) Regulations, 2014 specifies as under:

*"(1) The distribution licensee shall file with the Commission in complete form copies of all Power Purchase Agreements already entered into by it.*

*(2) The distribution licensee to establish to the satisfaction of the Commission that the purchase of power by it is under a transparent power purchase procurement process and is economical and the power is necessary to meet its service obligation.*

*(3) The Distribution licensee shall apply to the Commission for approval of the draft Power Purchase agreement that it proposes to enter into with the suppliers. The Commission may pass orders:*

*(a) Approving the agreement; or*

*(b) Approving the agreement with modifications proposed to the terms of the agreement; or*

*(c) Rejecting the agreement.*

*...."*

2.1.5 Regulation 59 of UERC (Conduct of Business) Regulations, 2014 specifies as under:

*"59. Inherent power of the Commission*

*(1) Nothing in these Regulations shall be deemed to limit or otherwise affect the inherent power of the Commission to make such orders as may be necessary for ends of justice or to prevent the abuse of the process of the Commission."*

2.1.6 Section 63 of the Electricity Act, 2003 specifies as under:

*"Section 63. (Determination of tariff by bidding process):*

*Notwithstanding anything contained in section 62, the Appropriate 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."*

2.1.7 The Central Government has issued the "Guidelines and Model Bidding Documents (MBDs) for procurement of electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis" dated 30.01.2019 and its amendments for this purpose. The clause 3 of the aforesaid Guidelines reads as under:

*"The tariff determined through the DEEP e-Bidding process using e-reverse Auction based on these Guidelines comprising the Model Bidding Documents shall be adopted by the Appropriate Commission in pursuance of the provisions of section 63 of the Act."*

2.1.8 Section 63 of the Electricity Act, 2003 provides that "Notwithstanding anything contained in Section 62, the Appropriate 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." As can be seen from a plain reading of Section 63 of the Electricity Act, 2003, the scope of the Commission is limited only to adoption of tariff and examining that a transparent process of bidding has been followed by the utility for procurement of power in accordance with the guidelines issued by the Central Government.

2.1.9 The Petitioner in the Petition has made a prayer before the Commission to grant unconditional approval for procurement of the entire quantum of 500 MW RTC medium-term power, without the restrictive operational conditions imposed in the Commission's Order dated 06.11.2025. The Petitioner also submitted that they may be permitted to schedule power in accordance with the Merit Order Despatch (MOD) principle and shall be free to surrender/backdown power procured under the present tender in any time block or series of time blocks, as may be necessitated by the State's power portfolio management requirements.

The Petitioner further requested to permit UPCL to manage situations wherein it may remain in surplus in various time slots throughout the year and accordingly permit UPCL to utilize such surplus power through sale on power exchanges or through surrender/backdown, based on real-time system conditions. The Petitioner also requested to permit UPCL to undertake banking of power, as per the requirements

of the State's power portfolio following same as done in past, by planning in advance tie ups with other states and also through various OTC platforms, and in case some power remains surplus the same may be traded in exchanges or surrendered/backed down based on real time/day ahead/power system requirement situations

Additionally, the Petitioner in the Petition has laid down instances/situations, based on its own assessment, as discussed supra, that shall be covered under the 'exceptional circumstances' as defined in the Commission's Order dated 06.11.2025 and further in the clarification issued vide letter dated 27.11.2025.

2.1.10 In this regard, it would be proper to address this prayer of UPCL before the adoption of tariff under Section 63 and also approval of APP. It is to be noted that the current proceedings relates to adoption of tariff under Section 63 of the Act and also approval of the draft PPA submitted with the Petition and should not deviate from the objectives of the same. With regard to the UPCL's request it is to be understood that no prudent management or the Regulator would pass on the costs on account of inefficiency/lack of prudence on to the consumers of the State. However, any cost that may arise due to circumstances which may be considered as exceptional and for the reasons beyond the control of UPCL may be allowed subject to the provisions of the Regulations. Similar view was given by the Commission at para 3.21(3)(a) of the Order dated 06.11.2025 as reproduced hereunder:

*"a. The surrender of power procured through Medium Term Tender shall not be an option, and except for exceptional circumstances, in no case UPCL shall exercise the same."*

*(Emphasis added)*

2.1.11 Further, the Commission once again on the clarification sought by UPCL reiterated the same vide its letter dated 27.11.2025 stating that UPCL must understand and comprehend the fact that in no regulated business the authorities would appreciate such a request from a utility to allow passing of costs related to inefficiencies/lack of prudence, where the aim is to balance the right of the consumers as well as utilities.

2.1.12 With respect to the request of UPCL, it is observed from the submission of UPCL that it has listed down certain events/situations to be covered under exceptional

circumstances, stating that the same shall include but not be limited to the mentioned scenarios. UPCL by defining certain scenarios has made an inclusive list of exceptional circumstances, which is not understandable. It will not be proper to lay down in advance the scenarios/ situations which will constitute exceptional circumstances as the same will require prudence and would also depend on the facts of the case. Exceptional by the very meaning of the word has to be something more than usual and abnormal which cannot be cured or stopped inspite of all due diligence and care and not general purport. Various aspects which relates to the part of planning and demand evaluation cannot infact be considered as exceptional circumstances. If the term exceptional circumstances at all needs to be defined, then it must be exclusive and exhaustive and not otherwise. The utility is duty bound to establish the happening of exceptional circumstances and cannot shrug of its responsibility in the garb of listing out certain events and seeking blanket approval for the same and also the situations that may arise subsequently.

- 2.1.13 As an instance UPCL, has mentioned that constraint related to transmission system due to factors not beyond control of UPCL must be exceptional circumstances. In this respect it is understood that if the situation is not within the control of UPCL then it's an exceptional circumstance, however, it does not relieve UPCL of its liability to assess the transmission capacity requirement and planning of the same in advance to ensure that due to shortage of transmission capacity/GNA or T-GNA tie ups, the constraint do not arise.
- 2.1.14 Similarly, in case of banking tie-ups, there does not exist any merit in surrendering surplus power by UPCL due to its lack of planning well in advance. UPCL is expected to be aware of its demand and availability portfolio and is equipped enough to forecast the surplus/deficit position for the upcoming periods, say at least for a period of 6 months. If UPCL through documentary evidence and records in place is able to justify that it did an advance planning for the banking of projected surplus power through all the available methods, like tie-ups with other States, OTC platforms, exchange sale etc. and still was forced to surrender surplus power due to non-availability of procurers, for considering the same as an exception, however, last minute exercise to bank surplus

power and consequently surrendering power due to lack of availability of procurers, cannot be counted as an exception and shall reflect towards inefficient planning of UPCL.

- 2.1.15 Further, as stated by UPCL, the opportunity for cost optimisation be considered as an exception. The same is already covered under the Regulation 75(3) of the MYT Regulations, 2024, and to that extent, if UPCL is able to justify such cost optimization, then the Commission shall appreciate the same. Similarly, MoD is an economic principle and the Commission shall always appreciate an approach where utility is expected to economize its costs through the same. The same principle goes with the situation related to policy change etc., force majeure conditions or other unforeseen circumstances which are beyond reasonable control of UPCL and are self-explanatory on the face of records.
- 2.1.16 Hence, based on the above discussions, there does not arise any need to relax the conditions defined in the Order dated 06.11.2025 or define scenario related to exceptional circumstances.
- 2.1.17 The Commission once again states that the intent of laying down conditions in the Order dated 06.11.2025 was not to deter UPCL to procure the required power through various sources based on its requirement. The said conditions have been laid down such that UPCL must ensure meticulous planning and prudence in its operations specifically related to management of power as the direct cost burden of the same is borne by the consumers of the State and as a Regulator the Commission has to balance the right of the utility as well as consumers and, therefore, cannot pass on the burden of inefficiencies of one person on the other. UPCL must understand that there is a clear distinction between the planning stage and day to day operations. The Order dated 06.11.2025 pertains to both these aspects, the operational aspects as stated above may be subject to the prudence by the Commission taking into consideration the circumstances within or beyond the control of UPCL.
- 2.1.18 In this regard for all the conditions mentioned by UPCL, an advance planning is required at the end of UPCL to plan not only on yearly basis, but also on monthly as well as daily basis to analyse its demand and availability position to take corrective

actions which may include banking of power to utilise the surpluses or meet the deficits through bilateral tie ups with other States and also through other OTC/Banking platforms in vogue nowadays, sale of surplus power in exchange depending on the rates prevalent in the exchanges, utilise the surplus power during off peak hours in charging BESS projects and also for pumping requirements of PSPs so that power available from these sources if not banked be traded in exchange during peak hours when rates are normally higher. Hence, the endeavour of UPCL should be to utilise the power available with it to the best of its efforts to minimise the cost impact on the consumers of the State.

2.1.19 The Petitioner vide its submission dated 08.12.2025 provided a summary of chronological events of the bidding process followed by it as tabulated below:

<b>Summarized table of bidding process for Medium-term Tender</b>	
22.02.2025	Tender was floated for 500MW; NIT & SBD was uploaded on deep portal.
24.02.2025	Notice inviting tender was published in three newspapers, (Indian express, Hindustan, Economic Times).
06.03.2025	Bidders submitted the queries.
17.03.2025	Pre bid meeting for queries. Seven bidders participated.
03.04.2025	Letter for query clarification/Modification was sent to UERC for approval.
17.04.2025	UERC letter received to file petition against clarification/ Modification.
25.04.2025	Petition was filed regarding clarification/Modification.
01.05.2025	Approval of Medium term 500 MW RTC Power from Board of Directors from UPCL.
06.05.2025	Date of hearing of petition regarding clarification/Modification in query.
15.05.2025	Order passed by UERC and also directed to justify to the satisfaction of the UERC, the requirement of the power projected by it vis-à-vis quantum proposed to be procured through the aforesaid tender before proceeding with finalisation of the tender.
17.05.2025	As directed, UPCL sent letter for quantum approval.
19.05.2025	Bidder's queries were uploaded on Deep Portal.
09.06.2025	Reminder letter written to UERC for quantum approval.
10.06.2025	UERC letter received to give presentation for quantum on 13.06.2025.
13.06.2025	Detailed Presentation given on 13.06.2025.
17.06.2025	Part-I (RfQ) of medium-term tender was opened. Three bidders participated.
20.06.2025	Letter received from the Commission to submit additional information for quantum approval of medium term tender.
01.07.2025	Reply sent to the Commission regarding letter dated 20.06.2025.
08.07.2025	UERC letter received for joint meeting with UJVNL, PTCUL and UREDA on 09.07.2025.
09.07.2025	Meeting with UERC along with UPCL, PTCUL, UJVNL.
15.07.2025	Intimation of the qualified bidders after opening part 1 RfQ.
30.07.2025	Intimation for conducting Part-II (Price bid) opening and e-RA.
01.09.2025	Letter sent for in-principal approval to UERC.
10.09.2025	Letter received from the Commission for giving presentation on 15.09.2025.
15.09.2025	Presentation given for medium term as per direction given on 10.09.2025.
16.09.2025	Mail received for submitting additional information regarding presentation given on 15.09.2025.
23.09.2025	Email again received from the Commission to provide additional information on presentation given on 15.09.2025.
29.09.2025	Replies submitted to UERC for emails 16.09.2025 and 23.09.2025.

06.10.2025	Bidders were requested to extend bid validity.
07.10.2025	Bidders gave consent to extend bid validity.
31.10.2025	Public hearing on Suo-Moto proceeding initiated by UERC.
06.11.2025	Order passed by UERC on Suo-Moto proceeding.
26.11.2025	Letter in reply for Order dated 06.11.2025.
27.11.2025	UERC reply on letter dated 26.11.2025.
01.12.2025	UPCL letter for clarifications regarding BoD approval.
02.12.2025	UERC reply on letter dated 01.12.2025.
03.12.2025	Petition filed.

2.1.20 The Commission observed that the Petitioner has followed the guidelines and procedures as laid down in the Model Bidding document issued by the MoP, GoI except that the Petitioner did not issue the Letter of Award (LoA) which it was required to issue within a period of 10 days of close of bidding process, as per the Model Bidding document. The Commission observed the said non-compliance, and while admitting the instant Petition filed by UPCL, directed the Petitioner to ratify the same by issuing an LoI/LoA to the effect. The Petitioner, subsequent issued an LoI to the successful bidders and informed the Commission of the compliance thereof.

2.1.21 The Commission, earlier vide communication dated 23.09.2025, while analyzing the Petitioner's proposal for procurement of power on medium term basis, asked the Petitioner to provide a comparison of rates discovered by it for MTPP vis-à-vis rate discovered in other states at State periphery. In response to the same, the Petitioner vide its letter no. 7950/UPCL/Comm/UERC/MTPP dated 29.09.2025 provided the details of Medium Tender by various utilities in India as tabulated below:

Table: Details of Medium Term Tenders by various Utilities in India.					
S. No.	Utility	Ref. No.	Description	Allotted Quantity	Discovered price
1	UPCL	UPCL/Medium/ Lumpsum Tariff/ 24-25/RA/197	From 18.08.2025:00.00 to 18.08.2029:24.00	150	5.85
2				350	5.85
3	GRIDCO	GRIDCO LIMITED/ Medium/Lumpsum Tariff/ 25-26/RA/15	From 01.05.2025:00.00 to 30.04.2029:24.00	70	7
4				25	7.1
5	CESC	CESC/Medium/ Lumpsum Tariff/ 24-25/RA/159	From 01.04.2025:00.00 to 31.03.2027:24.00	100	5.88
6				70	5.88
7	MSEDCL	MAHARASHTRA STATE ELECTRICITY CO LTD/ Medium/ Lumpsum Tariff/24-25/RA/171	From 01.04.2025:00.00 to 31.03.2030:24.00	100	5.99
8				100	5.99
9				100	6.24
10				540	6.25
11	TPCL Maharashtra	TPCL/Medium/ Lumpsum Tariff/ 24-25/RA/158	From 01.04.2025:00.00 to 31.03.2027:24.00	2.85	0.08
12				100	5.56
13				70	5.56
14				27.15	5.62
15	GRIDCO	GRIDCO LIMITED/	From	25	5.48

16		Medium/Lumpsum Tariff/ 24-25/RA/111	15.04.2025:00.00 to 14.04.2029:24.00	50	5.48
17				125	6.083
18	HPPCL	HARYANA POWER PURCHASE CENTRE (A JOINT FORUM OF UHBVN & DHBVN)/Medium/Lumpsum Tariff/24-25/RA/49	From 01.04.2025:00.00 to 31.03.2030:24.00	150	5.39
19				155	5.39
20				195	5.39
21	AEML	AEML/Medium/Lumpsum Tariff/ 24-25/RA/133	From 01.04.2025:00.00 to 31.05.2027:24.00	100	5.58
22				100	5.58
23				75	5.58
24				50	5.58
25				175	5.98
26	NPCL	Noida Power Company Limited/Medium/Lumpsum Tariff/24-25/RA/131	From 01.04.2025:00.00 to 31.03.2028:24.00	25	5.41
27				25	5.42
28	NPCL	Noida Power Company Limited/Medium/Lumpsum Tariff/24-25/RA/75	From 01.04.2025:00.00 to 31.03.2028:24.00	25	5.9
29				25	5.9
30				10	5.91
31				40	8
32	GRIDCO	GRIDCO LIMITED/Medium/Lumpsum Tariff/24-25/RA/39	From 01.07.2024:00.00 to 30.06.2028:24.00	25	6.5
33				25	6.5
34				50	6.5
35				100	6.78
36	NPCL	Noida Power Company Limited/Medium/Lumpsum Tariff/24-25/RA/21	From 01.07.2024:00.00 to 31.03.2026:24.00	20	5.99
37				20	6.3
38	HPPCL	HARYANA POWER PURCHASE CENTRE (A JOINT FORUM OF UHBVN & DHBVN)/Medium/Lumpsum Tariff/ 24-25/RA/8	From 01.08.2024:00.00 to 31.07.2029:24.00	110	5.78
39				127	5.78
40				140	5.78
41				123	6.28
42	UPCL	UPCL/Medium/Lumpsum Tariff/ 23-24/RA/104	From 01.12.2023:00.00 to 31.03.2027:24.00	40	6.48
43	APDCL	Assam Power Distribution Company Ltd/Medium/Lumpsum Tariff/ 23-24/RA/161	From 01.04.2024:00.00 to 31.03.2026:24.00	100	7.98
44	KSEBL	KSEBL/Medium/Lumpsum Tariff/ 23-24/RA/160	From 01.02.2024:00.00 to 30.06.2026:24.00	100	7.48
45				150	7.48
46	NPCL	Noida Power Company Limited/Medium/Lumpsum Tariff/23-24/RA/101	From 01.04.2024:00.00 to 31.03.2029:24.00	95	5.19
47	RUVNL	RUVNL/Medium/Lumpsum Tariff/23-24/RA/43	From 01.07.2023:00.00 to 30.06.2028:24.00	3.13	1.23
48				100	5.3
49				56.87	6.3
50	BEST	BEST/Medium/Lumpsum Tariff/ 23-24/RA/73	From 01.04.2024:00.00 to 31.03.2031:24.00	125	5.87
51				100	6.67
52				125	8.26
53	PFC (JSPL)	PFC Consulting Limited/Medium/Lumpsum Tariff/23-24/RA/92	From 01.10.2023:00.00 to 30.09.2028:24.00	240	5.05
54	KSEBL	KSEBL/Medium/Coal from Linkage Coal/ 23-24/RA/56	From 15.08.2023:00.00 to 14.08.2028:24.00	303	6.88
55				100	6.88
56	NPCL	Noida Power Company Limited/Medium/Lumpsum Tariff/23-24/RA/83	From 01.04.2024:00.00 to 31.03.2029:24.00	25	5.2
57				25	5.2
58				50	5.2

59				25	7
60	UPCL	UPCL/Medium/ Lumpsum Tariff/ 23-24/RA/42	From 01.10.2023:00.00 to 31.03.2027:24.00	100	7.97
61				160	7.97
62	PFC (JSPL)	PFC Consulting Limited/Medium/Lumpsum Tariff/23-24/RA/55	From 01.08.2023:00.00 to 31.07.2028:24.00	240	5.4
63	HPPCL	HARYANA POWER PURCHASE CENTRE (A JOINT FORUM OF UHBVN & DHBVN)/Medium/ Lumpsum Tariff/ 22-23/RA/250	From 01.05.2023:00.00 to 01.05.2028:24.00	110	5.79
64				100	5.79
65				150	5.79
66				300	5.79
67				100	5.79
68				200	6.8
69				40	6.8

From the above table, it can be observed that the price of Rs. 5.85/kWh discovered by UPCL against the Medium-Term tender floated by it, for procurement of 500 MW RTC power, appears reasonable in view of the rates discovered by other utilities/States as stated herein above.

2.1.22 The Commission in view of the above discussion is of the view that the Petitioner has duly adopted a transparent process of bidding, and it is construed that the bidding process has been completed in the prescribed time period as provided in the standard bidding guidelines.

2.1.23 Further, the Petitioner has issued a Letter of Intent to both the bidders namely M/s Jindal Power Ltd. (150 MW) and M/s Powerpulse Trading Solutions Limited (350 MW), for a total quantum of 500 MW as per the assessment made by UPCL for the requirement of power to be procured on Medium Term basis, for which approval of Board of Directors was also sought by UPCL.

2.1.24 With the above observations, the Commission decides to adopt the tariff for supply of 500 MW power on medium term basis for a period of 4 years, extendable by 1 year for, the quantum and rate of power from the selected bidders as summarized in the Table given below:

Sl. No.	Bidders	Quantum (MW)	Rate (Rs./kWh) at CTU periphery	Rate (Rs./unit) at State periphery after considering 3.5% transmission losses)*
1.	Jindal Power Limited	150	5.85	6.06
2.	Powerpulse Trading Solutions Limited	350	5.85	6.06

(\*Transmission charge is not included in this rate if power scheduled in the existing GNA and approximate 55 paisa will be added if power is scheduled under TGNA).

2.1.25 The Commissioned examined the draft APP submitted by UPCL for approval of the Commission. The Commission observed that the draft APP is in variance in certain clauses as compared to the model APP issued by the MoP, GoI. In this regard, reference is drawn towards the Clause 4 of the “Guidelines for Procurement of Electricity for Medium Term from Power Stations set up on Finance, Own and Operate (FOO) basis” issued by MoP, GoI which reads as under:

*“Any deviation from the Model Bidding Documents shall be made by the Distribution Licensees only with the prior approval of the Appropriate Commission. Provided, however, that any project specific modifications expressly permitted in the Model Bidding Documents shall not be construed as deviations from the Model Bidding Documents.”*

2.1.26 The above guidelines make it clear that any deviation in the model bidding document must be with the approval of the Commission, however, any project specific modifications expressly permitted in the Model Bidding Documents shall not be construed as deviations from the Model Bidding Documents. The Commission earlier vide its Order dated 15.05.2025, on a Petition filed by UPCL seeking approval for deviation/modification of certain clause of the model bidding documents, allowed the Petitioner to carry out modifications in certain clauses of the model bidding document, including the model APP, as stated in the said Order.

2.1.27 The Petitioner during the discussion informed that the draft APP has been formulated in line with the “Revised Model PPA for procurement of power under Medium term issued on 19th Dec 2022”, as amended vide amendment dated 12<sup>th</sup> May 2023, by the MoP, GoI. The Petitioner further informed that the Article 21-Change in Law of the draft APP has been modified in accordance with the “Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021” issued by the MoP, GoI on 22.10.2021.

2.1.28 The modification approved by the Commission vide Order dated 15.05.2025, w.r.t the draft APP, was limited to the Clause 11.8 and Clause 16.2 of the said draft and the Petitioner has duly incorporated the same in the draft APP enclosed with the current Petition. However, the other modification carried out by the Petitioner, in the draft APP vis-à-vis the model APP, were not brought before the Commission for seeking approval of the same. In this regard, the Commission notes that as per the bidding

guidelines issued by the MoP, GoI, any project specific modifications expressly permitted in the Model Bidding Documents shall not be construed as deviations from the Model Bidding Documents. The Commission observed that the other deviations carried out by the Petitioner are within the ambit of project specific modifications as aforesaid and do not require approval of the Commission.

- 2.1.29 The Petitioner at Clause 21.1.3 of the draft APP has made a reference of "Clause 21.1.1". The Petitioner is required to correct the same and mention the same as "Clause 21.1.2".
- 2.1.30 The Commission further observed that both the bidders namely, M/s Jindal Power Ltd. and M/s Powerpulse Trading Solutions Limited have not raised any objections on the clauses of the draft APP and have agreed to the conditions laid therein. Further, no objection or facts have been put by anyone else before the Commission so as to deter the adoption of the tariff, the Commission, accordingly, subject to the above, approves the draft APP submitted by UPCL.
- 2.1.31 The Petitioner and the Respondents are required to ensure that the name of parties, date, address etc. and other information as listed in Note 2 of the draft PPA is duly filled by the parties before signing the APP.
- 2.1.32 The Petitioner is directed to submit the duly signed APPs executed with the bidders i.e., UPCL and M/s Jindal Power Ltd. & M/s Powerpulse Trading Solutions Limited respectively, before the Commission within 10 days of the date of this Order.
- 2.1.33 To the extent as discussed above, the Petition is allowed. Ordered accordingly.

**(Prabhat Kishor Dimri)**  
**Member (Technical)**

**(Anurag Sharma)**  
**Member (Law)**

**(M.L. Prasad)**  
**Chairman**