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**Petition No 1114 of 2016**

**BEFORE  
THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION  
LUCKNOW**

**Date of Order: 29.06.2016**

**PRESENT:**

1. Hon'ble Sri Desh Deepak Verma, Chairman
2. Hon'ble Sri Indu Bhushan Pandey, Member
3. Hon'ble Sri S.K.Agarwal, Member

**IN THE MATTER OF:** For approval of PPA of 10 MW from Co-gen plant of Kisan Sahkari Chini Mills Ltd., Sathiaon

**AND**

**IN THE MATTER OF**

The Uttar Pradesh Power Corporation Ltd.  
Shakti Bhawan ,  
14, Ashok Marg, Lucknow.

-----Petitioner

M/s The Kisan Sahkari Chini Mills Ltd.,  
Sathiaon,  
Distt. Azamgarh

----- Respondent

The following were present:

1. Sri V.P.Srivastava, CE(PPA), UPPCL
2. Sri V.K.Singh, CE KSCM

**Order**

(Date of Hearing 27.06.2016)

1. The petition has been filed by UPPCL for approval of Power Purchase Agreement (PPA) dated 01.03.2016 for purchase of 10 MW power during season and 13 MW



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power during off-season from 15 MW bagasse based power plants of M/s Kisan Sahkari Chini Mills Ltd. located at Vill. Sathiaon, Dist. Azamgarh (U.P.)

2. It is submitted by the petitioner that the PPA entered into is in-line with model PPA with only deviations as given below:
  - i. The generator has agreed to do away with payment security mechanism
  - ii. The generator has also agreed to do away with the late payment surcharge
3. The Commission approves the PPA with only deviations as above.
4. The Commission showed its displeasure with UPPCL for not adopting bidding route for purchase of power from bagasse based co-generation. The Commission recalled its view taken during the finalizing the Regulations wherein it was categorically suggested that future requirements from bagasse based generation should be procured through bidding route only. Although the Commission has approved this PPA being a co-operative Unit but categorically directs UPPCL that in future all the bagasse based power shall be purchased through bidding route only.
5. The Commission also contemplates that in future renewable energy generation may be considered to bring under ABT regime.
6. The petition is disposed of.

(S.K.Agarwal)  
Member

(Indu Bhushan Pandey)  
Member

(Desh Deepak Verma)  
Chairman

Place: Lucknow  
Dated: 29.06.2016