



BEFORE
THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW
Petition No.1278/2018

PRESENT:

Hon'ble Sri Suresh Kumar Agarwal, Chairman

IN THE MATTER OF :Petition for approval of Supplementary PPA

Petitioners :

UP Power Corporation Limited.
Through Chief Engineer, PPA
7th Floor, Shakti Bhawan,
14 Ashok Marg, Lucknow

Respondent:

M/s Lalitpur Power Generation Company Ltd.
B-10, Sector-3, Noida, Bajaj Bhawan,
Jamnalal Bajaj Marg, NOIDA
GautamBudh Nagar (U.P.)

In the Presence of

1. Sri Rajiv Srivastava, Ad. UPPCL
2. Sri Vinod Asthana, CE, PPA, UPPCL
3. Sri Anand Shukla, SE, PPA, UPPCL
4. Sri Haroon Aslam, EE, UPPCL
5. Sri S.N.M. Tripathi, Director, LPGCL
6. Sri Amrendra Mani Tripathi, Sr. Manager, LPGCL

ORDER
(Date of hearing 12.01.2018)

Uttar Pradesh Power Corporation Limited (UPPCL) has filed a petition for approval of Supplementary Power Purchase Agreement signed with Lalitpur Power Generation Co. Ltd.



2. UPPCL and Lalitpur Power Generation Co. Ltd. had signed a PPA on 10.12.2010 and a Supplementary Power Purchase Agreement on 15.06.2016. As per the original PPA under Article 3.1.2(ii) the seller had undertaken to obtain the long term coal linkage from standing Linkage Committee of Government of India within 18 months. This time period of 18 months was extended earlier with the approval of the Commission. The seller could not obtain the long term coal linkage within the prescribed time limit due to change in the policy of Government of India. On 20.05.2017, Ministry of Coal, Government of India introduced a policy known as SHAKTI (Scheme for Harnessing and Allocating Koyala Transparently in India). The seller also applied for coal linkage under this scheme and as per the terms and conditions given in the policy, participated in the auction for obtaining the long term coal linkage. The seller had been successful in obtaining the required long term coal linkage on a weighted average discount of Paise 3.25 per unit in the variable cost of the energy supplied. The seller has been allocated coal from various mines of CCL, SECL, NCL, MCL& ECL.

3. In the draft supplemental PPA filed with the Commission, it has been provided that an FSA shall be signed with various subsidiaries of Coal India Limited and after approval of the supplemental PPA , in terms of clause 3.1.2(ii) the seller shall be considered to have obtained long term coal linkage with effect from the date of signing of last Fuel Supply Agreement (FSA) with the subsidiaries of Coal India Limited.

4. The Commission heard the arguments of both the parties in the hearing on 12.1.2018 and found that both the parties have no reservation in implementing the supplemental agreement. As a result of the supplemental agreement the seller shall provide the year on year discount for the remaining term of PPA as per Schedule-I of the supplemental PPA in the tariff in the monthly bills as described in para 'H' of the supplemental PPA.

5. The Commission approves the supplemental PPA dated 6.1.2018 and disposes of The Petition no.1278 of 2018 accordingly.

(Suresh Kumar Agarwal)
Chairman

Place: Lucknow

Dated:12.01.2018