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

**Petition No.1279/2018  
( Date of Order:15.03.2018)**

**PRESENT:**

Hon'ble Sri Suresh Kumar Agarwal, Chairman

**IN THE MATTER OF :** For approval of draft model competitive bid document for procurement of biomass based power for long term for meeting its RPO under UPERC Regulations.

**Petitioner:**

Chief Engineer (PPA),  
UP Power Corporation Ltd.,  
14th Floor, Shakti Bhawan Ext., 14th Ashok Marg,  
Lucknow

**In the presence of:**

1. Sri Vinod Asthana, CE, UPPCL

**ORDER  
(Date of hearing: 23.02.2018)**

UPPCL filed instant petition for seeking approval of draft model bidding documents for purchasing long term power from biomass based generation on competitive bidding basis to meet its non-solar RPO.

2. It has been submitted that since no SBD/ Model PPA is available for conducting competitive bidding for biomass based power procurement, the instant bidding document has been prepared on the basis of bid document already approved by Hon'ble Commission vide its order dated 13.10.2017 in respect of bagasse based power purchase and keeping in view various available guidelines/existing practices. The bidding shall be conducted duly considering the salient features of Case-1 standard bidding documents, the MNRE guidelines issued in December 2012 and existing PPA with RE generators of the State.

This shall be single stage bidding with tenure of PPA being 20 years (which will be co-terminus with the life of plant). The total tentative quantum of bid will be 10 MW but



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shall be finalized based on the RPO compliance status, and the minimum size of bid will be 1 MW and its multiple. The ceiling for levellised tariff has been kept at Rs 6.524 per unit.

3. The Commission asked the petitioner to submit the basis on which the ceiling of levellised tariff has been decided.

4. UPPCL submitted that so far as GSHR and GCV of fuel are concerned, these are considered same as considered in CRE Regulations. However, Interest on Loan and Interest on working capital are considered as per prevailing market rates and capital cost of plant is considered on the basis of CERC norms in this regard.

5. The Commission observed that for FY 2018-19 the considered capital cost of biomass plant under CRE Regulations 2014 of UPERC is Rs.609 lacs/MW whereas CERC has provided for capital cost, depending on type of technology, ranging from Rs. 559 lacs/MW to Rs 652 lacs/ MW. The Commission also observed that out of the 4 biomass technologies, 3 have capital cost below Rs. 610 lacs/MW.

6. Considering the submissions made by UPPCL and the cost structure of different technologies, the Commission decides to keep ceiling levellised tariff at Rs. 6.463 on the cost considered in CRE Regulations 2014 of UPERC for FY 2018-19 . With this change the Commission approves the submitted draft document for bidding.

7. The petition is accordingly disposed of.

(Suresh Kumar Agarwal)  
Chairman

Place: Lucknow  
Dated: 15.03.2018