



THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

LUCKNOW

Petition No. 2367 of 2026

QUORUM

Hon'ble Shri Arvind Kumar, Chairman

Hon'ble Shri Sanjay Kumar Singh, Member

IN THE MATTER OF

Petition u/s 86(1)(b) & (f) along with other relevant provisions of the Electricity Act 2003 and relevant provisions of the PPA seeking reimbursement of Excess Energy Charges paid to PPGCL along with carrying costs.

AND

IN THE MATTER OF

Uttar Pradesh Power Corporation Limited,

14- Ashok Marg, Shakti Bhawan, Lucknow 226001

..... Petitioner

Versus

Prayagraj Power Generation Company Limited,

14- Ashok Marg, Shakti Bhawan, Lucknow 226001

.....Respondent

THE FOLLOWING WERE PRESENT

1. Ms. Puja Priyadarshini, Advocate, UPPCL
2. Sh. Deeptanshu Chandak, Advocate, UPPCL
3. Sh. Sayed Abbas Rizvi, CE-Planning, UPPCL
4. Ms. Kavita Singh, SE-Planning, UPPCL
5. Sh. Rajiv Kumar Srivastava, EE-Planning, UPPCL
6. Sh. Abhishek Nangia, Advocate, PPGCL
7. Sh. Adarsh Singh, Advocate, PPGCL

by





ORDER

(DATE OF HEARING: 04.06.2026)

1. The Petitioner, Uttar Pradesh Power Corporation Limited (UPPCL), has filed the present Petition seeking a declaration that the excess energy charges claimed by Prayagraj Power Generating Company Limited (PPGCL) under the head of fuel cost (a part of energy charges) are not admissible under the provisions of the Power Purchase Agreement (PPA). Consequently, the Petitioner has also sought reimbursement of excess energy charges paid to PPGCL along with carrying costs.
2. The prayers of the Petitioner are as follows:
 - i. Admit the present Petition;
 - ii. Hold and declare that the Excess Energy Charges named under Para 2 of the present Petition as well as other charges of analogous nature claimed under the invoices raised by PPGCL are contrary to the terms of the PPA and that UPPCL is not liable to reimburse these to PPGCL;
 - iii. Direct PPGCL to forthwith refund/reimburse the amount paid by UPPCL provisionally towards these charges along with carrying costs;
 - iv. Direct PPGCL not to claim the Excess Energy Charges named under Para 2 of the present Petition as well as other charges of analogous nature claimed under the invoices to be raised by PPGCL in future;
 - v. Pass any such order(s) and/or direction(s) as the Commission may deem just and proper in the facts and circumstances of the present case.
3. During the hearing today, Ms. Puja Priyadarshini, counsel for UPPCL, submitted that, under the terms of the PPA, UPPCL was obligated to reimburse PPGCL only for the costs incurred towards the purchase, transportation and unloading of coal as part of the energy charges. She contended that PPGCL had been raising claims towards energy charges without furnishing the requisite supporting documents. The counsel further submitted that, in the year 2023, UPPCL conducted an audit and the auditor's report revealed that certain overhead expenses included by PPGCL were not covered

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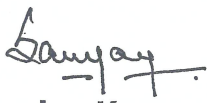




under the provisions of the PPA and were in the nature of operation and maintenance (O&M) expenses. In support of her argument, she relied on the definition of 'F^{coal}' (weighted average actual cost of coal) as provided under the PPA.

4. Counsel for PPGCL sought six weeks' time to file its reply, both on the merits of the case as well as on the issue of maintainability. Further, in response to a specific query raised by the Commission regarding maintainability, counsel submitted that the Petitioner has failed to clearly identify the specific period to which disputed invoices pertain. Consequently, it has not been possible to ascertain the exact amount of excess energy charges for scrutiny in the present petition.
5. The Commission accepts the Respondent's request and allows six weeks' time for filing their reply and thereafter four weeks' time for the Petitioner to file its rejoinder.

List the matter on 20.08.2026.


(Sanjay Kumar Singh)
Member


(Arvind Kumar)
Chairman



Place: Lucknow

Dated: 29.06.2026

