THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

LUCKNOW

Petition No. 2418 of 2026

QUORUM

Hon'ble Shri Arvind Kumar, Chairman

Hon'ble Shri Sanjay Kumar Singh, Member

Hon'ble Shri Griesh Kumar Vaish, Member (Law)

IN THE MATTER OF

Petition under Section 86(1)(b) & (e) of the Electricity Act, 2003 read with Regulation 4 of the UPERC (Modalities of Tariff Determination) Regulations, 2023 and Clauses 3.1.1(b) and 17 of the Guidelines for Tariff Based Competitive Bidding Process for Procurement of Firm and Dispatchable Power from Grid Connected Renewable Energy Power Projects with Energy Storage Systems dated 09.06.2023 (as amended), seeking approval of this Commission for long-term procurement of power from 300 MW Renewable Energy (RE) Round the Clock (RTC) Power Project through Tariff-Based Competitive Bidding process and seeking approval of the proposed deviation from the aforesaid Guidelines.

AND

IN THE MATTER OF

Noida Power Company Limited (NPCL),

Through its Authorised Representative,

Plot No. ESS, Knowledge Park–IV, Greater Noida, Uttar Pradesh–201310 **..Petitioner**

FOLLOWING WERE PRESENT

1. Ms. Divya Chaturvedi, Advocate, NPCL
2. Ms. Srishti Rai, Advocate, NPCL
3. Sh. Gaurav Anand, Head-Legal, NPCL
4. Sh. Sanket Srivastava, Head-Power Management, NPCL
5. Sh. Utkarsh Pandey, Assistant Manager, NPCL
6. Sh. Neeraj Singh, C.R.O., NPCL
7. Sh. Ankur Dutt, Resident Officer, NPCL

ORDER

(DATE OF HEARING: 03.09.2026)

1. The Petitioner, NPCL, has filed this Petition for approval of long-term power procurement from 300 MW Renewable Energy (RE) Power Project on Round the Clock (RTC) basis through Tariff-Based Competitive Bidding (TBCB) process and approval of the proposed deviation from the FDRE Guidelines dated 09.06.2023. The prayers are as follows:

   a) Approve the procurement of power from 300 MW of firm and dispatchable RE RTC power on a Long-term basis i.e., for a period of 25 (twenty-five) years through Tariff-Based Competitive Bidding process;

   b) Approve the deviation from Clause 6.3 of the FDRE Guidelines and permit allocation of 100% of total bid capacity i.e., 300 MW to a single successful bidder, as per Clause 3.1.1(b) read with Clause 17 of the FDRE Guidelines as well as Regulation 4 of the Tariff Regulations;

   c) Approve the tender documents, including the draft Request for Selection and draft Power Purchase Agreement;

   d) Grant the Petitioner liberty to place on record such further and additional documents, information, and submissions as may be necessary, with the permission of this Commission; and

   e) Pass any other order(s) as this Commission may deem fit in the facts and circumstances of the case.

Background of the case

2. The Petitioner has mainly submitted following in the Petition:

   a) NPCL currently has following long-term/medium-term tie-ups for supply of power from FY 2028-29 onwards, details mentioned below:

      Long-Term Arrangements:

      (i) 171 MW RTC power at Ex-Generator's bus from M/s DIL - approximately 158MW RTC will be available at NPCL bus.

      (ii) 100 MW FDRE power at ISTS periphery from M/s SJVN – approximately 70 MW RTC will be available at NPCL bus (expected SCOD FY 2026-27).

(iii) 300 MW Wind-Solar Hybrid Power at ISTS periphery from M/s Deshraj Solar Energy Power Limited - approximately 136 MW RTC will be available at NPCL bus (expected SCOD FY 2027-28).

(iv) 25 MW Solar Power at Ex-Generator's bus from M/s Adani Solar Energy Chitrakoot One Limited - approximately 13-14 MW will be available during day hours at NPCL bus.

(v) 25 MW Solar Power at Ex-Generator's bus from M/s Tata Power Renewable Energy Limited (TPREL)- approximately 13-14 MW will be available during day hours at NPCL bus.

(vi) 10 MW Wind Power at Ex-Generator's bus from M/s PTC India Limited - approximately 6-7 MW RTC will be available at NPCL bus.

Medium-Term Arrangements:

(i) 95 MW RTC power at Ex-Generator's bus from M/s JITPL – approximately 88 MW RTC will be available at NPCL bus. (completion in March 2029).

b) Section 86(1)(b) of the Electricity Act mandates the Commission to regulate the electricity purchase and procurement process of distribution licensees. Regulation 4 of the UPERC (Modalities of Tariff Determination) Regulations, 2023 provides for prior approval of the Commission for the requirement of capacity proposed to be bid for power procurement under long-term and specified medium-term arrangements through the competitive bidding route.

c) The CEA has conducted a long-term demand forecast in March 2024 for the licensed area of the Petitioner. In terms of the forecasted demand and energy projection by CEA, long-term power will be required to ensure reliability of power supply in the Petitioner's licensed area i.e. Greater Noida. The energy and peak demand projection by CEA are as follows:

Table 1: Energy (MU) and Peak Demand (MW) Projections by CEA

Particulars	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
Energy Projections (MU)	4,647	5,209	5,820	6,508	7,228	7,961	8,684
Year on Year Growth (%)	14%	12%	12%	12%	11%	10%	9%
Peak Demand Projection (MW)	864	973	1,093	1,228	1,371	1,517	1,663
Year on Year Growth (%)	15%	13%	12%	12%	12%	11%	10%

d) During FY 2025–26, Petitioner recorded a drawl of 4,327 MU (8.1% increase over FY 2024–25) as against the CEA's forecast of 14% growth (4,647 MU in FY 2025–26). In FY 2026–27, Petitioner has observed a demand growth of 8% in Q1 of FY 2026–27 over Q1 of FY 2025–26. Based on this trend, the Petitioner has projected a drawl of 4,704 MU for FY 2026–27 (i.e. growth of 8.7%) as against the CEA's projection of 5,209 MU (i.e. growth of 12%) over FY 2025-26.

e) From FY 2027–28 onwards, the demand has been projected by applying the CEA's year-wise growth rates on the estimated demand of FY 2026–27, the same tabulated below:

Table 2: Energy Projection vis-à-vis the deficit in existing scenario (All data is at NPCL Bus)

Particulars	2027-28	2028-29	2029-30	2030-31	2031-32
Petitioner's Energy Projections (MU)	5,275	5,898	6,551	7,215	7,870
Existing tie-ups (MU)	4,430	3,761	3,103	3,103	3,103
Deficit (%)	**16%**	**36%**	**53%**	**57%**	**61%**

Table 3: Peak Projection vis-à-vis the deficit in existing scenario (All data is at NPCL Bus)

Particulars	2027-28	2028-29	2029-30	2030-31	2031-32
Petitioner's Peak Projections (MW)*	633	708	786	866	944
Existing peak tie-ups (MW)	474	436	361	361	361
Deficit (%)	**25%**	**38%**	**52%**	**58%**	**62%**

**Peak is considered as average of demand recorded during 00-01 Hrs. and 19-24 Hrs. in summer season and 06-09 Hrs. and 18-21 Hrs. in winter season.*

f) The CEA has also prepared Resource Adequacy Requirement (RAR) for the licensed area of the Petitioner in accordance with the Guidelines for Resource Adequacy Planning Framework, 2023 notified by the Ministry of Power. The same tabulated below:

Year	COAL	WIND	RTC/FDRE	SOLAR	BESS (2 Hour)
2024/25	0	95	100	0	0
2025/26	0	95	40	100	50
2026/27	50	95	70	50	150
2027/28	50	95	70	50	250
2028/29	50	95	70	50	350
2029/30	50	95	50	50	450
2030/31	50	95	0	50	550
2031/32	50	95	0	50	650
2032/33	100	95	50	100	750
2033/34	100	95	50	100	850

g) Based on the capacity suggested by CEA, NPCL has already contracted 300 MW wind solar hybrid power comprising 200 MW wind and 100 MW solar from FY 2027-28 onwards for 25 years. This existing wind solar hybrid tie-up is distinct from the proposed 300 MW firm and dispatchable RE RTC procurement. The same tabulated below:

Year	COAL	WIND	RTC/FDRE	SOLAR	BESS (2 Hour)
2024/25	0	0	0	0	0
2025/26	0	0	0	0	0
2026/27	0	0	0	0	0
2027/28	0	200	0	100	0
2028/29	0	0	0	0	0
2029/30	0	0	0	0	0

2030/31	0	0	0	0	0
2031/32	0	0	0	0	0
2032/33	0	0	0	0	0
2033/34	0	0	0	0	0
Total	**0**	**200**	**0**	**100**	**0**

h) Further, based on the year wise capacity addition suggested by CEA vis-à-vis the capacity already contracted by the Petitioner, the year wise capacities yet to be contracted by the Petitioner tabulated below:

Year	COAL	WIND	RTC/FDRE	SOLAR	BESS (2 Hour)
2024/25	0	-95	-100	0	0
2025/26	0	-95	-40	-100	-50
2026/27	-50	-95	-70	-50	-100
2027/28	-50	105	-70	50	-100
2028/29	-50	-95	-70	-50	-100
2029/30	-50	-95	-50	-50	-100
2030/31	-50	-95	0	-50	-100
2031/32	-50	-95	0	-50	-100
2032/33	-100	-95	-50	-100	-100
2033/34	-100	-95	-50	-100	-100
Total	**-500**	**-750**	**-500**	**-500**	**-850**

i) The Petitioner had approached the Commission through Petition No. 2309 of 2025 seeking prior approval for the procurement of 300 MW of wind-solar hybrid power with the commencement of supply from FY 2028-29 onwards. The Commission vide its Order dated 24.06.2026 directed the Petitioner to procure long-term power from either coal-based sources or Firm RE on a RTC basis.In compliance with the directions issued by the Commission in its Order dated 24.06.2026 and considering the deficit, the RAR suggested by CEA, the expected load curve and the objective of meeting its RPO/RCOs, NPCL intends to procure 300 MW of firm and dispatchable RE RTC power from FY 2028-29 on a long-term basis for a period of 25 years.

j) The proposed firm and dispatchable RE-RTC procurement is structured to require (i) a minimum annual CUF of 75%; (ii) minimum availability of 50% of the Contracted Capacity in each time-block during the off-Peak Hours; and (iii) minimum availability of 90% of the Contracted Capacity in each time-block during the Peak Hours [total six (6) hours between 00:00 Hrs. to 10:00 Hrs. and 18:00 Hrs. to 24:00 Hrs]. This procurement is intended to enhance the availability and reliability of power on a round-the-clock basis and improve the Petitioner's ability to meet peak demand as well. With the proposed procurement of 300 MW of RE-RTC power, the following would be the deficit situation considering the estimated demand projections:

Table 4: Energy Projection vis-à-vis the deficit in existing + proposed scenario

(All data is at NPCL Bus)

Particulars	2027-28	2028-29	2029-30	2030-31	2031-32
Petitioner's Energy Projections (MU)	5,275	5,898	6,551	7,215	7,870
Existing tie-ups (MU)	4,430	3,761	3,103	3,103	3,103
Proposed tie-ups (MU) from RE-RTC*	-	429	1,847	1,847	1,847
Total tie-ups (MU)	4,430	4,190	4,950	4,950	4,950
Deficit (%)	**16%**	**29%**	**24%**	**31%**	**37%**

**RE RTC supply is currently expected to commence in Q4 of FY 2028-29*

Table 5: Peak Projection vis-à-vis the deficit in existing + proposed scenario

(All data is at NPCL Bus)

Particulars	2027-28	2028-29	2029-30	2030-31	2031-32
Petitioner's Peak Projections (MW)$	633	708	786	866	944
Existing peak tie-ups (MW)	474	436	361	361	361
Proposed peak tie-ups (MW) from RE-RTC*	0	63	251	251	251
Total Peak tie-ups (MW)	474	499	612	612	612
Deficit (%)	**25%**	**30%**	**22%**	**29%**	**35%**

**RE RTC supply is currently expected to commence in Q4 of FY 2028-29*
$Peak is considered as average of demand recorded during 00-01 Hrs. and 19-24 Hrs. in summer season and 06-09 Hrs. and 18-21 Hrs. in winter season.

k) In compliance with the directions issued by the Commission vide Order dated 24.06.2026 and considering the deficit situation, the Petitioner also intends to procure 100 MW of coal-based thermal power from FY 2028-29 onwards, on a long-term basis in terms of the applicable TBCB Guidelines issued under Section 63 of the Electricity Act, subject to approval of the Commission in terms of Regulation 4 of the Tariff Regulations. The Petitioner proposes to file a separate Petition before the Commission seeking prior approval for the said procurement. With the proposed procurements of 300 MW of firm and dispatchable RE- RTC power and 100 MW of coal-based thermal power, the projected energy deficit in the existing as well as proposed scenarios is set out below:

Table 6: Energy Projection vis-à-vis the deficit in existing + proposed scenario

(All data is at NPCL Bus)

Particulars	2027-28	2028-29	2029-30	2030-31	2031-32
Petitioner's Energy Projections (MU)	5,275	5,898	6,551	7,215	7,870
Existing tie-ups (MU)	4,430	3,761	3,103	3,103	3,103
Proposed tie-ups (MU) from RE-RTC	0	429	1,847	1,847	1,847
Proposed tie-ups (MU) from Thermal*	0	692	692	692	692
Total tie-ups (MU)	4,430	4,882	5,642	5,642	5,642
Deficit (%)	**16%**	**17%**	**14%**	**22%**	**28%**

**Thermal supply is expected to commence in Q1 of FY 2028-29.*

Table 7: Peak Projection vis-à-vis the deficit in existing + proposed scenario

(All data is at NPCL Bus)

Particulars	2027-28	2028-29	2029-30	2030-31	2031-32
Petitioner's Peak Projections (MW)$	633	708	786	866	944
Existing peak tie-ups (MW)	474	436	361	361	361
Proposed tie-ups (MW) from RE-RTC	0	63	251	251	251
Proposed tie-ups (MW) from Thermal*	0	79	79	79	79
Total Peak tie-ups (MW)	474	578	691	691	691
Deficit (%)	**25%**	**18%**	**12%**	**20%**	**27%**

**Thermal supply is expected to commence in Q1 of FY 2028-29.*
$Peak is considered as average of demand recorded during 00-01 Hrs. and 19-24 Hrs. in summer season and 06-09 Hrs. and 18-21 Hrs. in winter season.

l) From FY 2031-32 onwards, the Petitioner will continuously assess its demand pattern based on the demand growth observed over the preceding 3–5 years and shall undertake additional long-term power procurement wherever required to ensure compliance with the Guidelines for Resource Adequacy Planning Framework, 2023, notified by Ministry of Power and to maintain an optimal long-term power portfolio, for which the Petitioner shall approach the Commission for seeking prior approval under Regulation 4 of the Tariff Regulations.

a) The annual peak demand represents an exceptional and highly infrequent occurrence and may not, by itself, provide an appropriate basis for planning the entire long-term capacity portfolio. The relevant demand distribution tabulated below:

Demand Range 1	Demand Range 2	No. of time blocks - Occurrence	% Times	Percentile
	>848	1	0.0029%	100.00%
>=825	<848	4	0.01%	99.99%
>=800	<825	30	0.09%	99.90%
>=775	<800	60	0.17%	99.73%
>=750	<775	131	0.37%	99.36%
>=725	<750	314	0.90%	98.46%
>=700	<725	648	1.85%	96.61%
>=675	<700	1104	3.15%	93.46%
>=650	<675	1619	4.62%	88.84%

m) The season-wise maximum demand during the identified peak hours, vis-à- vis the maximum tied-up capacity, including the capacity proposed to be procured, is set out below:

Table 8: Details for Summer Peak Demand in 00-01 & 19-24 Hrs.

Particulars	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32

Maximum Demand in the mentioned hours (MW)	1107	1229	1354	1477
Maximum Tied-up (Exist +Proposed) (MW)	775	918	918	918
% Tied-up	**70**	**75**	**68**	**62**

Table 9: Details for Winter Peak Demand in 00-06 & 18-21 Hrs.

Particulars	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32
Maximum Demand in the mentioned hours (MW)	871	968	1066	1163
Maximum Tied-up (Exist + Proposed) (MW)	1008	920	920	920
% Tied-up	**116**	**95**	**86**	**79**

n) The Petitioner has undertaken capacity planning with reference to its actual and projected seasonal and time-of-day demand profile and has structured the proposed procurement and tender conditions to address the requirement during the critical peak hours, while ensuring optimal capacity utilisation and avoiding unnecessary long-term capacity tie-up.

o) Regulation 4 of the Tariff Regulations expressly provides that any deviation from the TBCB Guidelines shall require the prior approval of the Commission. Clause 3.1.1(b) read with Clause 17 of the FDRE Guidelines provides that, where it becomes imperative for the procurer to deviate from the Guidelines and/or the Standard Bidding Documents (SBDs), such deviation shall be subject to approval of the Appropriate Commission prior to initiation of the bidding process.

p) Clause 6.3 of the FDRE Guidelines states that a maximum of 50% of the bid capacity can be allocated to a single bidder as specified in the tender documents. The Petitioner requests the Commission to approve the deviation from the said Clause 6.3 and allow the Petitioner to allocate 100% of the total bid capacity to a single successful bidder through the competitive process contemplated by the RfS, subject to the remaining requirements of the FDRE Guidelines.

q) The aforementioned restriction on the capacity allocation to a single bidder to 50% is relevant for larger capacity tenders e.g. 1000-1500 MW tenders invited by the Renewable Energy Implementing Agencies who are aggregators/implementing agencies. The Petitioner intends to float the tender for a relatively small quantum of 300 MW only.

r) If the Petitioner retains the 50% allocation to a single bidder, it will have to allocate 150 MW each to 2 (two) different bidders (L1 & L2) or 150 MW to one

bidder (L1) and 75 MW each to two different bidders (L2 & L3) or any combinations thereof. Such small-scale allocation to multiple bidders will not bring economies of scale for sellers and thereby may not help in discovering the lowest and competitive tariff as per the mandate of Section 63 of the Electricity Act read with the FDRE Guidelines. With the proposed deviation, higher costs that will result from awarding part capacity to L2, L3 and the other succeeding bidders can also be avoided. 100% allocation of the requisitioned quantum to a single bidder is being proposed in the best interest of the consumers.

s) The Petitioner had previously, in context of its Request for Selection dated 08.11.2024 for procurement of 300 MW of Wind Solar Hybrid Power, vide its letter dated 09.07.2024 approached the Appropriate Government i.e., Department of Energy, Government of Uttar Pradesh seeking approval for the very same deviation from the Wind Solar Hybrid Power Guidelines (WSH) i.e., 100% allocation of the total bid capacity to a single bidder. The Department of Energy, Government of Uttar Pradesh had vide its letter dated 22.08.2024, duly approved the said deviation from the WSH Guidelines, which was further approved by the Commission vide its earlier Order dated 08.07.2025 in Petition No. 2183 of 2025.

t) The Government of Gujarat had also approved the same deviation from the WSH Guidelines, upon a request made by M/s Gujarat Urja Vikas Nigam Limited and M/s Torrent Power Limited respectively. The same deviation approval was also considered by Ld. Gujarat Electricity Regulatory Commission (GERC) vide its Orders dated 25.06.2024 and 02.09.2024 respectively.

u) Tata Power Delhi Distribution Limited (TPDDL) sought very same deviation from the FDRE Guidelines before the Ld. Delhi Electricity Regulatory Commission (DERC) under Section 86(1)(b) and (e) of the Electricity Act, which was approved by Ld. DERC, vide Order dated 03.11.2025.

v) The Commission, in its Order dated 24.06.2026, had observed that approximately 500 MW of firm capacity (coal and/or firm RE-RTC) would be required to be contracted by the Petitioner on a long-term basis. The present procurement of 300 MW RE-RTC power, together with the proposed procurement of 100 MW coal-based thermal power (for which a separate Petition is being filed), constitutes a substantial step towards meeting the said requirement. The Petitioner undertakes to approach the Commission for approval of further long-term firm capacity, as may be required, in due course.

w) In compliance with Clause 3.1.1 of the FDRE Guidelines, the bid documents, including the Request for Selection (RfS) and the draft Power Purchase Agreement (PPA) for procurement of 300 MW of firm and dispatchable RE RTC power on a long-term basis for a period of 25 (twenty-five) years through TBCB, have been prepared in accordance with the framework and requirements stipulated under the FDRE Guidelines. The said bid documents and draft PPA have been prepared in accordance with the FDRE Guidelines, except for the specific deviation identified and proposed by the Petitioner, for which prior approval of the Commission is being sought in terms of Regulation 4 of the Tariff Regulations read with Clause 17 of the FDRE Guidelines.

Records of Proceedings

3. During the hearing dated 03.09.2026, Ms. Divya Chaturvedi, learned counsel for NPCL, submitted that instant Petition has been filed as per directions of the Commission's Order dated 24.06.2026 in Petition No. 2309 of 2025 and that NPCL sought deviation from Clause 6.3 of the FDRE Guidelines, which restricts allocation of 50% of the bid capacity to a single bidder, and proposed allocation of 100% to a single bidder considering relatively small bid size of 300 MW. The Commission sought clarification regarding proposed CUF, to which the learned counsel responded that Minimum Annual CUF of 75%, CUF of 50% during Off-Peak hours and CUF of 90% during the identified peak hours.

4. The Commission, in view of timely completion of the bidding process, allowed the Petitioner to upload/issue the bidding document and any corrigendum, if required, may be issued and uploaded, post final Order. The Commission directed NPCL to furnish within two weeks from the date of the Order: justification for the proposed amount towards EMD, PBG, Net worth in the RfS; justification for allowing third party tie-up for ESS in clause 4.2.1 of the RfS; justification for considering aggregate financial requirement for consortium instead of in proportion to the equity commitment made by each member of the consortium in clause 4.3.8 of the RfS; justification for deviation in proposed clause 5.3.5 of the RfS against Guideline 6.5(e) of the MoP Guidelines dated 09.06.2023; details of 'Commissioning Committee' members as stipulated in clause 6.2.1(*v*) of the RfS; and justification for proposed debarment of the RPD in Article 6.3 of the PPA in terms of existing regulatory framework. The Commission also expressed its view that the Petitioner should ensure fulfilment of pre-requisite by the Page 13 of 16 bidder so that power supply

commences as per the scheduled timelines, particularly in view of the deviation sought by the Petitioner regarding 100% allocation to single bidder. Subject to the submissions of the NPCL in the abovementioned queries, the Commission reserved its order to take appropriate decision in the matter.

Additional Submission

5. On 07.10.2026, Petitioner filed its submission in compliance with Commission's Order dated 30.09.2026, wherein it mainly submitted following:

   a) Regarding the justification for the proposed amount towards EMD, PBG and Net Worth, it has submitted that the FDRE Guidelines require that the EMD shall not be less than 2% of the estimated capital cost of the RE Project; the PBG shall not be less than 5% of the estimated RE Project cost; and the Net Worth requirement should be at least 20% of the estimated RE Project cost. The Petitioner has considered the capital cost benchmarks specified by the CEA in the National Electricity Plan 2023 for FY 2026-27 for Solar and Wind projects and is in line with bids published by Central Agencies like SECI and SJVN Limited i.e. Rs. 4.84 crore per MW for Solar and Rs. 6.84 crore per MW for Wind considering the benchmark. For the Energy Storage System (ESS), the Petitioner has considered a capital cost of Rs. 1.20 crore per MWh, consistent with the approach adopted by the SECI in its recent RE-RTC tender. The EMD, PBG and Net Worth requirements stipulated in the RfS have been fixed in accordance with the minimum levels prescribed under the FDRE Guidelines. These requirements ensure that only financially capable and serious bidders participate, particularly given that the entire capacity is proposed to be allocated to a single successful bidder.

   b) Regarding the justification for allowing third-party tie-up for ESS in Clause 4.2.1 of the RfS, it has submitted that the proposed procurement is intended to secure 300MW of RE-RTC power under the FDRE Guidelines. The objective of the procurement is to ensure firm and dispatchable supply of contracted power and it is not necessary that the ESS, whether a BESS or a PSP, be owned by the RE Power Developer (RPD). Clause 4.2.1 of the RfS permits the RPD either to constitute the ESS as part of the Project or to tie up the requisite ESS capacity separately with a third party. The RfS requires the Bidder to submit proof of its tie-up with the ESS provider in Format 7.11. The RPD continues to remain fully responsible for availability of the ESS, scheduling and supply of contracted power,

any shortfall in supply, and necessary replacement arrangements. Any failure or default on the part of the third-party ESS provider shall not relieve the RPD of its obligations under the PPA, including its liability for penalties in terms of Clause 6.7 of the RfS and Article 4.4 of the PPA. The flexibility to tie up ESS separately with a third party is also consistent with the approach adopted in other RE-RTC procurement processes undertaken by central procuring agencies such as SECI and SJVN. The provision permitting the RPD to tie-up the ESS with a third-party provides the Bidder with flexibility in arranging the requisite ESS capacity, while ensuring adequate safeguards for the Petitioner through the requirements stipulated under the RfS and PPA.

c) Regarding the justification for considering the aggregate financial requirement for a consortium in Clause 4.3.8 of the RfS, it has submitted that consortium permits entities with complementary strengths in renewable generation, storage, financing, and project implementation to participate jointly in the procurement process. The aggregate approach under Clause 4.3.8 assesses the overall financial capability of the consortium, without reducing the total financial threshold prescribed for the Project under the RfS. This approach enables consortium members to pool their respective financial strength, while ensuring that the prescribed financial threshold for the Project is fully met. The overall financial threshold remains unchanged, while the consortium is permitted to satisfy the requirement through the combined financial strength of its members. This approach is also consistent with Clause 9.2.2(a)(ii) of the FDRE Guidelines, which provides that the net worth to be considered shall be the cumulative net-worth of the bidding company or consortium. The approach adopted in Clause 4.3.8 is also consistent with the approach followed by SECI, which has adopted a similar provision in its recent RE-RTC tender, whereby the financial requirement for a consortium is assessed on an aggregate basis.

d) Regarding the justification for deviation in proposed Clause 5.3.5 of the RfS against Guideline 6.5(e) of the FDRE Guidelines, it has submitted that the Clause 5.3.5 of the RfS is intended to preserve the Petitioner's flexibility in evaluating the outcome of the bidding process, rather than to require automatic acceptance of a bid where participation is limited. The said clause is not intended to depart from Para 6.5(e) of the FDRE Guidelines. Clause 5.3.5 of the RfS is consistent with the standard provision adopted by central agencies such as SECI and SJVN in their RE-RTC tenders.

e) Regarding the details of the Commissioning Committee members under Clause 6.2.1(v) of the RfS, it is submitted that the Commissioning Committee referred to in Clause 6.2.1(v) of the RfS shall be constituted by the Petitioner comprising its officers from Projects/Engineering wing with one external member for verification of the declared rated capacity of RE components/ESS before the Scheduled Commencement of Supply Date. The Committee shall be responsible for verifying that the rated AC capacity of the RE components and ESS, as declared in the PPA, has been installed.

f) Regarding the justification for the proposed debarment of the RPD in Article 6.3 of the Draft PPA, it has submitted that the Article 6.3 of the Draft PPA is intended to reflect Rule 8 of the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 (LPS Rules), which deals with a generating company that fails to offer the contracted power to the distribution licensee and sells it to another party without the licensee's consent. Upon a complaint by the licensee, the concerned Load Despatch Centre is required to debar the generating company from participating in Power Exchanges and on the DEEP portal, and from scheduling new short-term contracts from that generating station, for three months for the first default, six months for the second default and one year for each successive default, without prejudice to the licensee's right to seek compensation. Article 6.3 of the PPA therefore does not create any new or additional penalty. It gives contractual recognition to the consequences already prescribed under Rule 8 of the LPS Rules, which are to be imposed by the concerned Load Despatch Centre upon a complaint by the distribution licensee.

g) Regarding the Observation in paragraph 3 of the Order i.e., Fulfilment of pre-requisites by the bidder, it has submitted that the Petitioner proposes to procure 300 MW of RE-RTC power on a long-term basis for a period of 25 (twenty-five) years, with supply commencing from December 2028. In terms of the FDRE Guidelines, supply is required to commence within 24 (twenty-four) months from the date of execution of the PPA. The Petitioner intends to conclude the bidding process and execute the PPA with the successful bidder by December 2026, so that supply commences within the stipulated timeline. Under Clause 6.1(iv) of the RfS as issued, a bidder may participate if, by the bid submission deadline, it has applied for connectivity or holds an in-principle or final grant of connectivity. Since the entire 300 MW is proposed to be allocated to a single successful bidder, any delay by that bidder in securing connectivity would directly affect the

commencement of supply. The Petitioner, therefore, has proposed to amend Clause 6.1(iv) of the RfS so that only bidders holding a final grant of connectivity from the Central/State Transmission Utility, as applicable, at the time of bid submission, with the start date of connectivity specified in the final grant being on or before 31.12.2028, shall be eligible to participate.

Analysis & Decision

6. NPCL, in terms of Regulation 4 of the UPERC (Modalities of Tariff Determination) Regulations, 2023 read with Clause 17 of the FDRE Guidelines, seeks prior approval of the Commission for (i) procurement of 300 MW RE-RTC Power on a long-term basis through the TBCB process; (ii) approval of bid documents (i.e. RfS and draft PPA) for procurement of this 300 MW RE-RTC Power prepared in accordance with the FDRE Guidelines and (iii) approval of deviation i.e., 100% allocation of total bid capacity to a single bidder, for providing reliable and stable power supply to its consumers at reasonable cost.

7. The salient features of the bid documents are as below:

1.	**Quantum/Contracted Capacity (MW)**	: 300 MW
2.	**Source**	: Solar, wind or any other RE source as defined by MNRE, with an Energy Storage System ("ESS"), subject to the RfS requirement that annual energy supplied is RE power.
3.	**Bidding Platform**	: ISN-ETS Portal (https://www.bharatelectronictender.com)
4.	**Delivery Point**	: Inter connection of the project with ISTS/Intra State Transmission System
5.	**Commencement of Supply**	: 24 months from the Effective Date
6.	**Minimum Annual CUF (%)**	: 75%
7.	**Minimum Off-Peak Assurance (%)**	: 50%
8.	**Minimum Peak Assurance (%)**	: 90% for 6 hours between 00:00 Hrs. to 10:00 Hrs. and 18:00 Hrs. to 24:00 Hrs;
9.	**Penalty for shortfall**	: 1.5 times of PPA tariff;
10.	**Connectivity**	: Prospective bidder(s) shall have applied for or granted necessary connectivity from CTU/STU as the case may be at the time of bid submission;

8. After the hearing dated 03.09.2026, the Commission vide its Order dated 30.09.2026, directed NPCL to furnish the following within two weeks from the date of the Order:
    a) Justification for the proposed amount towards EMD, PBG, Net worth in the RfS.
    b) Justification for allowing third party tie-up for ESS in clause 4.2.1 of the RfS.
    c) Justification for considering aggregate financial requirement for consortium instead of in proportion to the equity commitment made by each member of the consortium in clause 4.3.8 of the RfS.
    d) Justification for deviation in proposed clause 5.3.5 of the RfS against Guideline 6.5(e) of the MoP Guidelines dated 09.06.2023.
    e) Details of 'Commissioning Committee' members as stipulated in clause 6.2.1(v) of the RfS.
    f) Justification for proposed debarment of the RPD in Article 6.3 of the PPA in terms of existing regulatory framework.

9. Regarding the **Direction (a): Justification for the proposed amount towards EMD, PBG and Net Worth,** NPCL has submitted that EMD, PBG and Net Worth requirements stipulated in the RfS have been fixed in accordance with the minimum levels prescribed under the FDRE Guidelines. The capital cost benchmarks for Solar, Wind projects and ESS have been kept consistent with bids published by Central Agencies like SECI and SJVN Limited in their recent RE-RTC tender and those specified by the Central Electricity Authority ("CEA") in the National Electricity Plan, 2023 for FY 2026-27.

10. Therefore, in view of the justification given, the Commission is satisfied that these requirements do not impose any burden on bidders beyond what the FDRE Guidelines contemplate but ensure that only financially capable and serious bidders participate, which is particularly important given that the entire capacity is proposed to be allocated to a single successful bidder.

11. Regarding the **Direction (b): Justification for allowing third-party tie-up for ESS in Clause 4.2.1 of the RfS,** NPCL has submitted that it is not necessary

that the Energy Storage System ("ESS"), whether a BESS or a Pumped Storage Plant ("PSP"), be owned by the RE Power Developer ("RPD") but the relevant consideration is whether the RPD has adequate and assured access to the ESS capacity required for fulfilling its obligations under the PPA. Accordingly, Clause 4.2.1 of the RfS permits the RPD either to constitute the ESS as part of the Project or to tie up the requisite ESS capacity separately with a third party.

12. Further, the RfS requires the Bidder to submit proof of its tie-up with the ESS provider in Format 7.11 and any failure or default on the part of the third-party ESS provider shall not relieve the RPD of its obligations under the PPA, including its liability for penalties in terms of Clause 6.7 of the RfS and Article 4.4 of the PPA. The proposed arrangement, therefore, does not transfer any contractual responsibility from the RPD to the third-party ESS provider.

13. The Commission, is accordingly, satisfied with the justification given by NPCL that the provision permitting the RPD to tie-up the ESS with a third-party provides the Bidder with flexibility in arranging the requisite ESS capacity, while ensuring adequate safeguards for NPCL through the requirements stipulated under the RfS and PPA. Further, permitting a third-party tie-up enables the RPD to access specialised storage providers, reduces the capital requirement and facilitates expeditious completion of the Project, thereby facilitating wider participation and competitive tariffs.

14. Regarding the **Direction (c): Justification for considering the aggregate financial requirement for a consortium in Clause 4.3.8 of the RfS, NPCL has submitted that** a consortium permits entities with complementary strengths in renewable generation, storage, financing, and project implementation to participate jointly in the procurement process. The aggregate approach under Clause 4.3.8 assesses the overall financial capability of the consortium, without reducing the total financial threshold prescribed for the Project under the RfS. Further, it has been submitted that the approach adopted in Clause 4.3.8 is also consistent with the approach followed by SECI, which has adopted a similar provision in its recent RE-RTC tender, whereby the financial requirement for a consortium is assessed on an aggregate basis.

15. The Commission is satisfied with the justification given by NPCL that the aggregate approach enables consortium members to pool their respective financial strength and facilitates participation by entities which, individually, may not satisfy the entire financial requirement, while ensuring that the prescribed financial threshold for the Project is fully met.

16. Regarding the **Direction (d): Justification for deviation in proposed Clause 5.3.5 of the RfS against Guideline 6.5(e) of the FDRE Guidelines,** NPCL has submitted that Clause 5.3.5 of the RfS is intended to preserve the NPCL's flexibility in evaluating the outcome of the bidding process, rather than to require automatic acceptance of a bid where participation is limited. Further, it has been submitted that the said clause is not intended to depart from Para 6.5(e) of the FDRE Guidelines and that the Clause 5.3.5 of the RfS is consistent with the standard provision adopted by central agencies such as SECI and SJVN in their RE-RTC tenders.

17. **The Commission is satisfied with the justification of NPCL that Clause 5.3.5 of the RfS is not intended to depart from Para 6.5(e) of the FDRE Guidelines and directs the Petitioner to approach the Commission in the event of such eventuality.**

18. The Commission also takes on record the submission of NPCL that the Commissioning Committee referred to in Clause 6.2.1(v) of the RfS shall be constituted by NPCL comprising its officers from Projects/Engineering wing with one external member for verification of the declared rated capacity of RE components/ESS before the Scheduled Commencement of Supply Date. The Committee shall be responsible for verifying that the rated AC capacity of the RE components and ESS, as declared in the PPA, has been installed.

19. Regarding the **Direction (f): Justification for the proposed debarment of the RPD in Article 6.3 of the Draft PPA,** NPCL submitted that Article 6.3 of the Draft PPA is intended to reflect Rule 8 of the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 ("LPS Rules"), which deals with a

generating company that fails to offer the contracted power to the distribution licensee and sells it to another party without the licensee's consent. In such a case, upon a complaint by the licensee, the concerned Load Despatch Centre is required to debar the generating company from participating in Power Exchanges and on the DEEP portal, and from scheduling new short-term contracts from that generating station, for three months for the first default, six months for the second default and one year for each successive default, without prejudice to the licensee's right to seek compensation.

20. The Commission, in view of NPCL justification, is satisfied that Article 6.3 of the Draft PPA is in line with Rule 8 of the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 ("LPS Rules") and does not create any new or additional penalty. The provision protects the Petitioner, and ultimately its consumers, against diversion of contracted power, particularly during periods of scarcity.

21. The Commission observes that NPCL proposes to procure entire 300 MW to be allocated to a single successful bidder on a long-term basis for a period of 25 (twenty-five) years, with supply commencing from December 2028 and FDRE Guidelines require supply to commence within 24 (twenty-four) months from the date of execution of the PPA. The Commission is satisfied that small-scale allocation to multiple bidders would not bring economies of scale for sellers and thereby, not helping in discovering the lowest and competitive tariff as per the mandate of Section 63 of the Electricity Act read with the FDRE Guidelines. The time taken by the bidder in securing connectivity would directly affect the commencement of supply within the stipulated timeline because a bidder who has merely applied for connectivity, or who holds only an in-principle grant, may not be able to secure connectivity in time.

22. Therefore, the Commission accords approval to the NPCL proposal to amend Clause 6.1(iv) of the RfS so that only bidders holding a final grant of connectivity from the Central/State Transmission Utility ("CTU"/"STU"), as applicable, at the time of bid submission, with the start date of connectivity specified in the final grant being on or before 31.12.2028, shall be eligible to participate. This will

ensure that the connectivity required for evacuation of power is in place before the scheduled commencement of supply.

23. Further, the Petitioner is directed to

(i) allow Scenario 1 only in clause 4.1.9 of the RfS, which is in line with the referred SECI's Bidding document.

(ii) To incorporate details of 'Commissioning Committee' in the draft PPA as stipulated at para 18 of this Order.

(iii) delete clause 16.3.2 of the Draft PPA which deals with dispute resolution between REIA and the RPD.

(iv) revise the "due date" period as 45 days in the definition at Article 1.1 of the Draft PPA in line with the SECI PPA referred to by the Petitioner.

(v) revise the rebate provision at Article 10.3.5 of the Draft PPA as follows in line with the SECI PPA referred to by the Petitioner.

10.3.5 REBATE:

For payment of any Bill on or before Due Date, the following Rebate shall be paid by the RPD/REPG to NPCL in the following manner.

(a) A Rebate of 1.5% shall be payable to the NPCL for the payments made within a period of 10 (ten) days of the presentation of hard copy of Bill.

(b) Any payments made after ten (10) days up to and including the ~~35~~ 30th Day after the date of presentation of Bill through hard copy, shall be allowed a rebate of 1 %.

(c) Any payments made beyond a period of ~~35~~ 30days up to and including the Due date from the date of presentation of Bill through hard copy, no rebate shall be allowed.

(d) For the above purpose, the date of presentation of Bill shall be the next Business Day of delivery of the physical copy of the Bill at NPCL.

(e) No Rebate shall be payable on the Bills raised on account of Change in Law (except in case of annuity tariff mode being implemented, where rebate will be applicable) relating to taxes, duties, cess etc. and on Supplementary Bill.

Commission's View

24. Upon consideration of the submissions made by NPCL, the Commission is of the view that the proposed procurement of 300 MW of Firm and Dispatchable RE-RTC power is aligned with the requirement for long-term firm capacity directed by the Commission in its Order dated 24.06.2026 in Petition No. 2309/2025 and is necessary to meet NPCL's anticipated power requirements in a reliable and economically prudent manner. Accordingly, the Commission approves the procurement of 300 MW of Firm and Dispatchable RE-RTC power on long-term basis through tariff based competitive bidding process.

25. The Commission also approves the tender documents with certain clause changes as mentioned at Para 24 above, including the deviation sought by NPCL to allow allocation of the entire 300 MW capacity to a single successful bidder. It is clarified that NPCL shall ensure that entire 300MW capacity to be allocated to a single bidder at L1 tariff only, else bucket filling to be done with proposed tariff range of L1+2%. Further, the Commission approves NPCL's proposed amendment to the RfS, whereby only bidders holding a final grant of connectivity from the CTU/STU, as applicable, at the time of bid submission shall be eligible to participate in the bidding process, provided that the start date of connectivity specified in the final grant is on or before 31.12.2028.

26. NPCL is directed to undertake the procurement process in accordance with the approved tender document, bidding framework and applicable regulations & guidelines.

The Petition stands **disposed of** in terms of above.

(Griesh Kumar Vaish)	(Sanjay Kumar Singh)	(Arvind Kumar)
Member (Law)	**Member**	**Chairman**

Place: Lucknow
Dated: 27.10.2026