The HPSEBL Versus the SJVN Limited and Others

Petition No. 138 of 2026

16.09.2026

Present: Sh. Rajesh Kashyap, Ld. Counsel for the Petitioner.
Ms. Rashmi Vaish, Ld. Counsel for the Respondent No. 1.
Sh. Arvind Kumar, Law Officer for the Respondent No. 7.
None for the Respondents No. 2 to 6 and 8.

DAILY ORDER

Sh. Arvind Kumar, Law Officer for the Respondent No. 7 has submitted that no reply is intended to be filed on behalf of the Respondent No. 7.

On scrutiny of the Petition, the following discrepancies are required to be replied by the Petitioner.

<table>
<tr><th>S. No.</th><th>Issue</th><th>Remarks</th></tr>
<tr><td>1.</td><td>As per the Petitioner, the power proposed to be procured from SJVNL is Firm and Dispatchable on a Round the Clock (RTC) basis and is backed with a mix of Solar, Wind or any other renewable resource as defined by MNRE for supply of RE Power combined with/without Energy Storage System and is significant\y more reliable than intermittent solar or wind power alone, as per the following detail:
<table>
<tr><th>Sr. No</th><th>Name of Solar Power Developer (SPD)</th><th>Contracted Capacity (MW)</th><th>Technology Mix</th><th>Tariff (INR/kWh)</th></tr>
<tr><td>1</td><td>M/s Renew Solar Power Pvt. Ltd.</td><td>100 MW</td><td>Solar:100MW (AC), Wind: 150 MW, ESS: Nil</td><td>4.82</td></tr>
<tr><td>2</td><td>M/s EG Energy Development Pvt. Ltd.</td><td>60 MW</td><td>Solar:43.625 MW (AC), Wind: 100 MW, ESS: ----</td><td>4.83</td></tr>
<tr><td>3</td><td>M/s Dineshchandra R Agrawal</td><td>100 MW</td><td>Solar:130MW (AC), Wind: 150</td><td>4.86</td></tr>
</table></td><td>HPSEBL and SJVNL/ Generators should explain as to how it expects to ensure Firm and Dispatchable power of 448 MW on a Round the Clock (RTC) basis from the technology mix offered by the SJVNL/ Generators.</td></tr>
</table>

			Infracon Pvt. Ltd.		MW, ESS:10 MW/40MWh	
		4	M/s Serentica Renewables India Pvt. Ltd.	100 MW	Solar:200MW (AC), Wind: 150 MW, ESS:80 MW/320MWh	4.89
		5	M/s Tata Power Renewable Energy Ltd.	88 MW	Solar:110MW (AC), Wind: 162 MW, ESS: Nil	4.91
			Total	**448 MW**		
		SJVNL Trading Margin				0.07
2.	As per Clause 4.4.1 of the **draft PPA**, the RPD/REPG shall be required to offer RE (RTC) power during the Time Block wise availability as well as annually in a manner such that the Time Block Wise Availability is minimum 50% on Daily Basis and Annual CUF is declared as …….%. The RPD/REPG shall also be obliged to supply the Contracted Capacity with the Firm and Dispatchable RE (Round-the-Clock (RTC)) Power configuration. The Bidders shall ensure for the supply of minimum 50 % of contracted capacity in MW in all the Time-Blocks (for the entire PPA duration). As per Clause 4.4.3 of the **draft PPA**, the RPDs will be allowed to revise the CUF within first year after Commencement of Supply of Power date (CSD) subject to the condition that CUF shall not be less than 90% of the CUF initially quoted by the bidder. However, the revised CUF shall in no case be less than 75%. Thereafter, the CUF for the contracted capacity shall remain unchanged for the entire term of the PPA. It shall be the responsibility of the RPDs, entirely at its cost and expense set up adequate RE capacity or ESS/tie up the capacity as may be necessary to achieve annual CUF within +10% (…..MU) and -10% (……MU) of the declared value till the end of the PPA duration of 25 years. Clause 2.9.3 of the **draft PSA** specifies that the provisions of Article 4.4 of the PPA shall be applicable mutatis mutanda to the PSA. Maximum energy to be supplied is …….MUs (i.e. +10%) and minimum energy to be supplied is …..MUs (i.e. -10%)					The Annual CUF quoted by the bidders is not known. Needs to be informed. It has been mentioned that the revised CUF shall not be less than 75% of the contracted capacity. Further, the generators have to ensure minimum 50% contracted capacity in every time block. The generators seem to have edge due to this clause as they may provide additional energy beyond 50% of the contracted capacity from the renewable technology sources which are relatively cheaper such as solar. Further there is no clause in the agreement which restrict off take by the HPSEBL in case they do not require power in any time block. In that scenario HPSEBL will have to sell the surplus power at

		throwaway prices in the market. Also HPSEBL shall not be in a position to plan its demand/supply position in advance due to flexibility in contractual terms and conditions beyond 50% contracted capacity. The same needs to be clarified.
3.	The HPSEBL is proposing to procure the 448 MW Firm and Dispatchable Renewable Energy Round the Clock (RTC Power) only during the winter months, i.e. from October to March every year. In its letter dated 08.01.2026 to HPSEBL, SJVNL has conveyed that the State of Uttar Pradesh has expressed keen interest in procuring power from the period from April to September every year.	Status of the power tie up during summer months needs to be updated by the SJVNL. If no party agrees to purchase this power for the summer months, then, SJVNL needs to explain if it will effect the Commencement of Supply of Power date (CSD) to the HPSEBL.
4.	Trading Margin	Please provide the rationale and justification for trading margin of 7 paisa per unit especially in the circumstances when intermediary SJVNL has back to back Letter of Credit (LC) arrangements with the buyers/ HPSEBL and even having a provision of the State Government Guarantee.
5.	Deemed Generation **4.10 GENERATION COMPENSATION FOR OFF-TAKE CONSTRAINTS:** Generation compensation for Off take constraints The Buying Utility may be constrained not to schedule power on account of unavailability of the Transmission Infrastructure/ Grid or in the eventuality of a Back down in accordance with the Electricity (Promotion of Generation of Electricity from Must-Run Power Plant) Rules, 2021 , as amended from time to time.	There exists a provision of deemed generation in case of grid unavailability beyond 175 hours per year. But, this scenario is force majeure condition to HPSEBL as well.

<table>
<tr><td></td><td>Clause 4.10.1 a) Generation compensation in off take constraints due to grid unavailability.
During the operation of the plant, there can be some periods where the plant can generate power but due to temporary transmission unavailability the power is not evacuated, for reasons not attributable to the Generator. In such cases, the generation compensation shall be addressed by the Buying Entity in following manner:

<table><tr><td>Duration of Grid unavailability</td><td>Provision for Generation Compensation</td></tr><tr><td>Grid unavailability beyond 175 hours in a Contract Year, defined in SJVN-RPD/REPG PPA</td><td>Generation Compensation= (Tariff x RE power (MW) offered but not scheduled/ Procurer) X 1000 X No. of hours of grid unavailability

However. in case of third party sale or sale in the power exchange, as price taker, the 95% of the amount realised, after deducting expenses. shall be adjusted against the Generation compensation payable on monthly basis.</td></tr></table></td><td>Therefore, the justification/ rationale for this clause needs to be explained.</td></tr>
<tr><td>6.</td><td>Rationale for Tariff
Based on market analysis, a remote similarity may probably be drawn with a recently concluded FDRE-3 tender by SECI (June-2025), wherein a tariff range of Rs. 5.06/kWh - 5.07/kWh has been discovered and further adopted by the Hon’ble CERC vide Order dated 22.11.2025.
However, this tender had a performance criterion as under:
• Min. DFR of 75% on monthly basis and at least 80% on annual basis
• Min. DFR of 90% during Peak Hours.
where, Demand Fulfilment Ratio (DFR) = [Power Injection Scheduled by the RPD (MW) in a particular time block ÷ Contracted Capacity (MW)], subject to the maximum value of DFR being 1.
In the present SJVNL tender, CUF is required to be maintained at minimum of 75% and minimum supply of 50% of contracted capacity in all the time-blocks.
While the SJVNL tariff may appear on the lower side than the discovered tariffs in the SECI tender, the performance criteria in SJVN’s tender are significantly less stringent than those in the SECI tender.
The performance criteria stipulated in the tender is one of the critical factors in the tariff model of bidders and the tariffs they quote reflect the complexity in terms of firmness and dispatchability of power output expected from such Projects.</td><td>SJVNL/HPSEBL need to justify the rates discovered in light of the performance criteria stipulated in the SJVNL tender which is less stringent to the RE Generators in comparison to the SECI tender. However, the tariff difference is quite miniscule.</td></tr>
</table>

Let reply to the above queries be filed within three days.

Petition admitted. Be registered, if not already registered.

Let notice to the Respondents No. 2 to 6 and 8 be issued returnable for 29.09.2026. The Respondents No. 2 to 6 are directed to file reply within a week with advance copy to opposite parties.

List on 29.09.2026 at 11:00AM for Completion of proceedings.

-sd-
(Shashi Kant Joshi)
Member-cum-Chairman