

130 and 131 pages of APERC Resource Plan for 5th Control Period

the above power plants. In line with the above decision, the Commission is not inclined to accept this proposal too.

- iv. **DISCOMS' proposal:** DISCOMS submitted a proposal to contract for 1350 MW of pumped storage capacity to be established by APGENCO on a cost-plus mechanism. The estimated capital cost of the project is Rs.10 455 crores, as indicated in the latest letter dated 29.12.2023. The estimated levelised tariff is Rs.5.39 per unit for a duration of 40 years. It is further informed that the cycle efficiency is less than the prescribed cycle efficiency by CERC regulations for pumped storage plants.

Commission's decision: In view of the huge long-term financial implications and complexities involved in arriving at a final decision, DISCOMS may file a petition, and the Commission will take a decision after following the regulatory process.

- v. **DISCOMS' proposal:** DISCOMS, by letter dated 24.11.2023, submitted the power procurement proposals from the following NHPC hydel power plants. They propose to procure 20 percent of the available capacity, i.e. 333 MW.

S. No.	Projects	Inst. Capacity (MW)	Project Ownership	Available Power for Sale (MW)	Levelised Tariff (Rs./Unit)	Status of Project	Excepted commissioning
1	Teesta VI	500	LTHPL (Wholly owned subsidiary of NHPC)	435	04.02	Under construction	July'2025
2	Rangit IV	120	JPCL (Wholly owned subsidiary of NHPC)	104	4.37	Under construction	Aug'2024
3	Ratle	850	RHPCL (Joint venture of NHPC ltd & JKSPDC)	444	4.28	Under construction	July'2025
4	Pakaldul	1000	CVPPL (Joint Venture of NHPC ltd & JKSPDC)	444	4.28	Under construction	July'2025
5	Kwar	540	CVPPL (Joint Venture of NHPC ltd & JKSPDC)	240	4.44	Under construction	Nov'2026
Total		3010		1667			

Regarding the above proposals, the DISCOMS stated the following.

- The useful life of the project is 40 years
- Waiver of ISTS applicable
- Useful to meet the Compliance of HPO
- Allocation is to be done by the MoP based on consent received from the states.
- Helpful in managing RE power
- Tariffs shall be determined by the CERC

Commission's decision: The proposals are based on the correspondence made by NHPC between the financial years FY21 and FY23. Though the expected tariff is indicated, as these projects were taken up on cost plus mechanism in joint venture mode, the CERC has to determine the tariff based on the final capital cost. Hence, after taking into consideration the final outcome regarding power requirement in this order, the DISCOMS may reexamine the proposal and approach the Commission with a proper petition with the latest status of the projects for taking a final decision by the Commission duly following the Regulatory process.

Renewable Power Purchase Obligation (RPPO)

110. The table below shows the PPR for the DISCOMS in Business As Usual (BAU) scenario estimated by the Commission during the 5th CP to examine RPO compliance.

FY	PPR in MUs
2024-25	81,025
2025-26	86,595
2026-27	92,538
2027-28	98,963
2028-29	105,910

The Ministry of Power vide Letter No. F.No. 09/13/2021-RCM dated 22.07.2022 issued the Renewable Power Purchase Obligation (RPPO) and the Energy Storage Obligation (ESO) Trajectory up to FY2029-30 under the National Tariff Policy 2016. The APERC has specified the RPPO trajectory up to FY 2026-27 under section 86 (1) (e) of the Electricity Act, 2003. The RPPO trajectory specified by the MoP vis a vis the RPO trajectory specified by the APERC is shown in the table below.