

BEFORE THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION LUCKNOW

PETITION No.

In the matter of: Approval of Supplementary PPA for Mirzapur Thermal Power Project (1320 MW) under clause -126 of UPERC (Conduct of Business) Regulation 2004.

In the matter of:

U.P Power Corporation Ltd
14–Ashok Marg
Lucknow..... Petitioner

M/s Welspun Energy UP Private Limited
Welspun House , 7th Floor ,
Kamala City Senapati Bapat Marg,
Lower Parel , Mumbai-400013 Respondent

The undersigned is presently posted as Chief Engineer, Power Purchase Agreement Directorate, U.P Power Corporation Limited, Shakti Bhawan , Lucknow and has been authorized to file the present petition.

It is most humbly prayed by the Petitioner :-

- 1- That , in compliance to the GoUP Energy Policy -2009 , a MOU dated 31-12-10 was signed in between **M/s Welspun Energy UP Private Limited** and GoUP for setting up 1320 MW Thermal Project at Gazipur in Distt. Gazipur Subsequently as per the approval by UPERC vide its order dated 18-11-10, a Power Purchase Agreement for purchase of 90% power generated from this project was signed by UPPCL on behalf of DISCOM on 04-01-11.
- 2- That , the Cl. No. (3.1.2) of the aforesaid PPA provides certain conditions which are required to be fulfilled by the Developer within 18 months from signing of PPA unless such completion is affected due to Procurers failure to comply with their obligations or by Force Majeure event or if any of the activities is specifically waived by the Procurers. This clause further provides at Cl (3.3.4) that any extension/ increase in time period shall lead equal increase in the period of Bank Guarantee and new scheduled COD will be decided with the approval of the Commission.
- 3- That as per the request of **M/s Welspun Energy UP Private Limited** for change of the project location from Gazipur to Mirzapur and for extension of the above period to fulfill the conditions subsequent, GoUP vide order dated 8-6-12 have accorded permission on change of location and the extension of time limit for a further period of 18 months or as requested by the seller (whichever is lesser) with the condition that additional IDC on account of above extension shall not be admissible to the seller.
- 4- That subsequently, the extension for fulfillment of condition subsequent under Article 3.1 was again requested vide letter dated 30-09-13 mainly on the ground that important conditions like MOEF clearance and coal linkage for the project has not been granted.
- 5- GoUP vide its order dated 09-12-13(copy at Annexure-1) giving last chance have accorded permission on extension of time limit for a further period of 18 months or as requested by the seller (whichever is lesser) with the conditions given therein.
- 6- That the Developer has accepted the conditions stipulated in GO dated 09-12-13 and has submitted 50 % additional BG amounting to Rs 33 Cr on 02-01-14.
- 7- A draft Supplementary PPA containing the mutually agreed conditions as per GOUP order dated 09-12-13 is enclosed at Annexure -2 for UPERC approval.

In view of the foregoing paragraphs, the Commission is requested to approve the draft supplementary PPA and /or otherwise pass the appropriate directions so that the same may be finally signed with the Company.

Enclosure: As above

(S.P. Pandey)
Chief Engineer (PPA)

VERIFICATION

I, the above deponent, do hereby verify that the contents of this affidavit are true to my knowledge and belief, no part of it is false and nothing material has been concealed.

Signed and verified this _____

(S.P. Pandey)
Chief Engineer (PPA)