

**JOINT ELECTRICITY REGULATORY COMMISSION
(FOR THE STATE OF GOA AND UNION TERRITORIES)
GURUGRAM**

CORAM

Shri Alok Tandon, Chairperson
Smt. Jyoti Prasad, Member (Law)

Petition No.: 170/2026

Date of Hearing: 20.05.2026

Date of Order: 01.06.2026

In the matter of:

Petition for approval of agreement for “Purchase of power on round the clock basis for supplying power to the three 11 KV Feeders at Shaheed Dweep, South Andaman District having an average day & night load to the tune of 850 KW and average evening Peak load of 1600 KW (05.00 PM to 10.00 PM) with a targeted monthly generation of 7.24 Lakh Unit per month for a period of three years”.

And in the matter of:

The Electricity Department, A&N Administration, Vidyut
Bhawan Sri Vijaya Puram - 744101.

.....Petitioner

And in the matter of:

Express Gensets Consortium Private Limited, 94. IP
Extension Rajdhani Nikunj Patparganj, Delhi, India,
110092

.....Respondent

Present: -

For the Petitioner

1. Smt. Madhuri Shukla, Superintending Engineer
2. Smt. Rizwana, Executive Engineer
3. Smt. Deepa Nair, Executive Engineer
4. Shri S. Suresh Kumar, Assistant Engineer
5. Smt. K. Jayashree, Junior Engineer

For the Respondent

1. Shri Naresh Gupta, Director, EGCP
2. Shri. Arun Johri, Manager, EGCP

ORDER

1. The instant petition has been filed by Electricity Department Andaman & Nicobar Administration (hereinafter referred as 'ED A&N' or 'the Petitioner') under Section 86(1)(b) of the Electricity Act, 2003. The Petitioner is a Government Department engaged in the generation, transmission and distribution of electricity in the Andaman & Nicobar Islands. To meet its obligation for supply of electricity to its consumers, the Petitioner sources energy from its own generating stations and by purchasing of power from other sources. The Petitioner has made following prayers:
 - a. Accord approval to execute an agreement for purchase of power on round the clock basis for supplying power to the 11 KV Feeders at Shaheed Dweep, South Andaman District having an average day & night load to the tune of 850 KW and average evening Peak load of 1600 KW (05.00 PM to 10.00 PM) with a targeted monthly generation of 7.24 Lakh Unit per month for a period of three years as submitted in the petition.
 - b. Condone any inadvertent delay/omissions/errors/shortcomings.
 - c. Pass such further and other orders, as the Commission may deem fit and proper, keeping in view the facts and circumstances of the case.

2. **Petitioner's submissions**

- a) Shaheed Dweep is an island located in Ritchie's Archipelago, part of the Andaman Islands, falling under the administrative jurisdiction of the South Andaman District within the Union Territory of Andaman and Nicobar Islands. The island lies approximately 36 km (22 miles) northeast of Sri Vijaya Puram.
- b) The power requirement of Shaheed Dweep is currently met through Diesel-based generation under Power Purchase Agreement (PPA) mode, approved by the Commission in respect of Petition No 56/2021. This arrangement has been crucial in ensuring uninterrupted power supply to the island.
- c) Presently, three 11 kV feeders emanate from the load dispatch point on the Island. These feeders form the backbone of the Island's distribution network and play a critical role in meeting the growing electricity demand, particularly from the hospitality sector comprising newly established hotels and resorts.
- d) Shaheed Dweep has rapidly emerged as a popular tourist destination in the Andaman Islands. The resultant growth in tourism related infrastructure has significantly increased the electricity demand. This surge is directly linked to the economic development of the Union Territory, making reliable and adequate power supply a key enable for continued growth.
- e) The existing PPA expired on 30.04.2025. In view of the absence of alternate power supply sources on the Island and to ensure continued supply, power is currently being procured from

the same contractor under an extended contract arrangement. Simultaneously, a fresh tender has been initiated to finalize a new PPA for ensuring long-term power security for the Island.

- f) The Executive Engineer, South Andaman Division, has highlighted significant technical constraints, including the lack of alternative power supply sources at Shaheed Dweep. In pursuance of this identified need and to ensure uninterrupted electricity supply, the tender process has been initiated.
- g) The A & N Administration vetted the draft Tender document and conveyed in-principle approval of the competent authority for publishing of tender document in the CPP Portal for election of Power producer for purchase of power at Shaheed Dweep for a period of three years at an estimated bid cost of Rs. 3,02,35,000/- (Rupees Three Crore Two Lakh Thirty-Five Thousand only).
- h) Tender floated in the CPP Portal on 03.05.2025 vide Tender Id No. 2025_FD_18522_1 with Pre-Bid meeting & Bid opening scheduled on 16.05.2025 & 29.05.2025 respectively.
- i) Pre-Bid meeting of this tender held on 16.05.2025, however no bidder participated in the said meeting.
- j) Due to poor participation of bidder (only single bidder participation), the bid opening date extended thrice till 26.06.2025.
- k) Technical Bid was opened on 26.05.2025 and found 2 (Two) bidders participated in the bid. Details of the Bidder is given as under: -
 (i) M/s Express Genset Consortium Private Limited, Delhi.
 (ii) M/s Modern Hiring Service, Mumbai
- l) The Tender Evaluation Committee meeting held on 08.07.2025 for evaluation of both the participant bidders. The Committee has determined that all two bidders meet the prequalification requirement outlined in the tender. The committee has unanimously recommended to proceed with opening the financial bid of both the qualified bidder.
- m) The Corrigendum vide No. EL/PR/58A(2)/T-05/2025/1835 dated 07.08.2025 for opening of price bid of the technically qualified bidders was uploaded and were opened the same on 08.08.2025. The details of rate offered by the lowest bidder is as under: -

Name of the Firm	Description	Per Unit (kWh) Cost
M/s Express Genset Consortium Pvt. Ltd. Delhi	Cost of per unit energy (KWh) a specific fuel consumption of 3.7 units /lit (0.270 lit/unit) (the rate inclusive of operation & maintenance charges, lub oil including all taxes but excluding the cost of HSD oil (as HSD will be supplied by Electricity Department)	1.09 Paisa (Rupees One and Nine Paisa only)

- n) The A&N Administration vide Order No. 2336 Dated 17/09/2025 has accorded administrative approval and expenditure sanction for acceptance of L1 rate of Rs.1.09 per unit and awarding the contract to M/s. Express Genset Consortium Pvt. Lid. Delhi for purchase of power on round the clock basis for supplying power to the 11 KV Feeders at Shaheed Dweep, South Andaman District having an average day & night load to the tune of 850 KW and average evening Peak load of 1600 KW (05.00 PM to 10.00 PM) with a targeted monthly generation of 7.24 Lakh Unit per month for a period of three years at a total contractual cost of Rs. 2,84,09,760/- (Rupees Two Crore Eighty-Four Lakh Nine Thousand Seven Hundred & Sixty only.
3. The Commission after hearing admitted the Petition. Further during the hearing, the Commission sought certain information. The Petitioner has submitted the revised draft PPA along with its reply on the deficiency note sent to them.

Commission's Analysis

4. The Commission observed that Shaheed Dweep is an isolated Island situated approximately 36 Km northeast of Sri Vijaya Puram and not connected from the Sri Vijaya Puram Electricity Grid. Currently, the power requirement of Shaheed Dweep is met through DG power plant under a Power Purchase Agreement approved by the Commission vide order dated 19.05.2022 in Petition No. 56/2021. The afore-mentioned PPA expired on 30.04.2025 and in absence of alternate power, the same agreement has been mutually extended for 1 (one) year as per Clause 6.0.0 of the PPA.
5. It is noted that total RE capacity installed is only one 3kW rooftop solar plant which is installed by prosumer under PM Surya Ghar Muft Bijli Yojana. Further, the upcoming RE plan comprises a total capacity of 1.172 MW, including a 1 MW / 5.1 MWh Battery Energy Storage System (BESS) Solar PV plant (ground-mounted), targeted for commissioning by April 2028, and 172 kW Solar Rooftop system (100 kW for residential buildings and 72 kW for government buildings), expected to be commissioned by December 2026. The calculation of yearly energy generation from the upcoming RE Plant is as follows:

Plant Capacity = 1172 kW

CUF of Solar PV plant = 18% (average range is from 15% to 25% and depends upon the Solar Radiation)

Hours in a Year = 8760 Hrs.

Yearly Generation = $1172 \times 0.18 \times 8760 = 18,48,009.6$ kWh = 18.48 Lakh Units

Further, yearly targeted generation requirement = 7.24 Lakh Units per month x 12 = 86.88 Lakh Units

In view of the above, the upcoming RE plant will only meet 21.27% of the annual requirement.

6. It is noted that the monthly load profile of the Shaheed Dweep for year 2023 and 2024 is as follows:

Month	2023			2024		
	Night Load (kW)	Day Load (kW)	Evening Load (kW)	Night Load (kW)	Day Load (kW)	Evening Load (kW)
January	748	994	1326	768	1065	1363
February	620	780	1289	650	805	1406
March	640	750	1214	1086	1157	1508
April	514	948	1345	1200	1220	1465
May	950	1135	1230	1200	1230	1467
June	922	1015	1054	850	840	986
July	614	681	734	690	702	771
August	620	780	899	632	660	817
September	527	684	863	820	865	1237
October	784	896	1163	738	1333	1502
November	810	1190	1360	850	1116	1463
December	1233	1175	1475	1149	1358	1573
Average	748.5	919	1162.67	886.08	1029.25	1296.5
Maximum	1233	1190	1475	1200	1358	1573

As per above load profile, it is observed that monthly average day & night load were 748.5 kW & 919 kW for year 2023 and 886.08 kW & 1029.25kW for year 2024 respectively. The maximum monthly evening demand (peak demand) were 1475 kW for year 2023 and 1573kW for year 2024. Hence, it shows annual peak demand growth rate of 6.7% and at this rate the peak demand after three years will be 2039 kW (year 2028). Considering the demand growth trajectory, the Commission finds procurement of aggregate DG based capacity of 2MW to be reasonable and justified for ensuring reliable power supply during the contract period.

7. It is also noted that A&N Administration conveyed the in-principle approval of the Commissioner-cum-Secretary (Power)/ Competent Authority and vetted the tender document with concurrence of the Finance and Law Department vide File No. 3-14(56)/2019-Power dated 02.05.2025, for purchase of power on round the clock basis for supplying power to the three 11 KV Feeders at Shaheed Dweep, South Andaman District having an average day & night load to the tune of 850 KW and average evening Peak load of 1600 KW (05.00 PM to 10.00 PM) with a targeted monthly generation of 7.24 Lakh Unit per month for a period of three years, with an estimated bid cost of Rs. 3,02,35,000/- (Rupees Three Crore Two Lakh Thirty-five Thousand only).
8. The notice for inviting tender issued vide File No. EL/PR/58A(2)/T-05/2025/431 dated 02.05.2025 and tender floated in the CPP Portal on 03.05.2025 vide Tender Id.

2025_ED_18522_1 with Pre-bid meeting & bid opening scheduled on 16.05.2025 & 29.05.2025 respectively.

9. The Pre-Bid meeting was held on 16.05.2025. However, no bidder participated in the said meeting. Further, due to single bidder participation, the bid due date was extended upto 25.06.2025 with following corrigenda:

Corrigendum:1 published on 28.05.2025 for the bid due date extended to 04.06.2025

Corrigendum:2 published on 05.06.2025 for the bid due date extended to 16.06.2025

Corrigendum:3 published on 16.06.2025 for the bid due date extended to 25.06.2025

10. The technical bid was opened on 26.06.2025 and found 2 (Two) bidders participated in the bid. Details of the Bidder is given as under:

- i. M/s. Express Genset Consortium Private Limited, Delhi.
- ii. M/s Modern Hiring Services, Mumbai.

11. The Tender Evaluation Committee meeting was held on 08.07.2025. After evaluating the technical bids, the committee determined that all two bidders meet the prequalification requirement outlined in the tender and unanimously recommended to proceed with opening the financial bid. A Corrigendum vide No. EL/PR/58A(2)/T-05/2025/1835 dated 07.08.2025 was issued for opening of price bid on 08.08.2025 of the technically qualified bidders.

12. The financial bid was opened on 08.08.2025. The details of rate offered by the bidder is as under:

Sl. No.	Name of the Bidder	Rate per Unit inclusive of taxes in (Rs.)	Total contract price as per estimated 2,60,64,000 Units for period of three years in (Rs.)	Status
i	M/s. Express Genset Consortium Private Limited Delhi.	1.09/-	2,84,09,760/-	L1
ii	M/s. Modern Hiring Services, Mumbai	1.53/-	3,98,77,920/-	L2

13. The Commission observed that M/s. Express Gensets Consortium Private Limited, Delhi emerged as the successful bidder with quoted tariff of Rs. 1.09/- (One Rupee & Nine Paise Only) (rate per unit) and total contract price of Rs. 2,84,09,760/- (Rupees Two Crore Eighty-Four Lakh Nine Thousand Seven Hundred Sixty Only) as per estimated 2,60,64,000 Units for period of three years for supply of power to the three 11 kV feeders at Shaheed Dweep and

minimum specific fuel consumption of 3.7 units/litre (0.270 litre/Unit) excluding cost of High-Speed diesel (HSD) fuel which shall be supplied by the Petitioner.

14. The Commissioner-cum-Secretary (Power)/ Competent Authority A&N Administration vide Order No. 2336, File No.3-14(56)/2025-Power, dated 23.08.2024, with the concurrence of Finance Department accorded administrative approval & expenditure sanctioned for acceptance of L1 rate of Rs. Rs. 1.09/- per unit and awarded contract to M/s Express Gensets Consortium Private Limited, Delhi for supply of power to the 11 kV grid at Shaheed Dweep for a period of three years at a contractual cost of Rs. 2,84,09,760/- (Rupees Two Crore Eighty-Four Lakh Nine Thousand Seven Hundred Sixty Only).
15. As per draft PPA, the Respondent is required to supply, install and commission all weather proof DG Sets power plant of aggregated capacity of 2 MW so as to meet the average evening peak hours (05.00 PM to 10.00 PM) load of 1600 kW and average day & night load to the tune of 850 kW with targeted generation of 7.24 lakh Units per month and minimum guaranteed generation at 5.46 Lakh Units per month for a period of three years to the existing 11 KV T&D system of Electricity Department of A&N Administration at Shaheed Dweep. The entire operation & maintenance shall be the responsibility of the Respondent. The capacity, type and number of DG Sets, transformers, switch gears and allied auxiliaries may be decided/designed based on factors such as available space, load pattern, grid characteristic, climatic condition etc. However, DG sets proposed for installation should not be more than 6 (six) years old on the date of commissioning at the proposed site.
16. The fuel i.e. HSD required for Power Generation will be supplied to the Respondent free of cost by the Petitioner. The Respondent is required to establish, on his own cost, suitable capacity of HSD storage tank facilities at the plant site, so as to store HSD at least for 5 days requirement. The fuel efficiency of all weatherproof DG sets shall normally be maintained at 3.7 Units/Litre i.e. 0.270 Litre/Unit. However, for inefficient operation of DG sets i.e. less than 3.7 Units/Litre (equivalent to 0.270 Litre/unit), 100% cost of excess fuel (HSD) along with transportation charges (based on actuals), if any shall be recovered from Respondent. However, if the specific fuel consumption is better than 0.270 litre/Unit, the HSD will be accounted as per actual and no incentive will be paid to Respondent on account of HSD saved as the HSD will be supplied by the Petitioner. The HSD available in A&N Island is BS-VI grade.
17. The installation & commissioning of all-weather proof DG Set shall be in such manner, (including transportation, shipment, erection, commissioning, testing etc.) so that power is made available within 120 days from the date of execution of power purchase agreement. The date on which full 2 MW Power is delivered continuously at least for 8 hours will be considered as Commercial Operation date (COD) and the period of contract will be valid for three years from COD. No payment shall be made to the Respondent for the units generated during testing and commissioning period. The HSD for testing & commissioning period shall be supplied by the Petitioner. However, penalty will be imposed on account of excess HSD consumption of

0.270 Litre/KWh (below 3.7KWh/Litre) during the testing and commissioning period. The monthly invoice for the month in which COD is achieved shall be allowed on pro-rata basis, if the date of COD falls on any date other than 1st day of the month, in such case the minimum guaranteed unit to be delivered will be calculated on pro-rata basis. The terms of the PPA stipulate period of 3 (three) years from COD. The agreement shall be extendable on the same terms & conditions for another 2 (Two) years subject to amendment of the contract on mutual consent with the approval of competent authority of the ED A&N.

18. The Commission further notes that the procurement of power by the Petitioner has been conducted through transparent tariff based competitive bidding process as envisaged u/s 63 of the Electricity Act 2003. The Petitioner is seeking adoption of tariff u/s 63 of the Electricity Act, 2003 and approval of the Power purchase Agreement u/s 86 (1)(b) of the Electricity Act, 2003.

19. It is relevant to highlight relevant legal Provisions:

The Section 63 of Electricity Act, 2003 provides that-

“Notwithstanding anything contained in Section 62, the appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government.”

Section 86 (1)(b) of Electricity Act, 2003 provides that-

*“Section 86 (1)-The State Commission shall discharge the following functions, namely:
b) Regulate electricity purchase and procurement process of licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State.”*

20. However, it is observed that no specific guidelines have been issued by the Central Government under Section 63 for the power purchase through tariff based competitive bidding from Diesel Generator sets based plant. In this context, it is necessary to highlight the judicial determination of Hon'ble Supreme Court of India. In the matter of *Energy Watchdog Versus. Central Electricity Regulatory Commission & Others* (2017) 14 SCC (80), the Hon'ble Supreme Court has held that:

“.....In fact, Sections 62 and 63 deal with "determination" of tariff, which is part of "regulating" tariff. Whereas "determining" tariff for inter-state transmission of electricity is dealt with by Section 79 (1)(d), Section 79 (1)(b) is a wider source of power to "regulate" tariff. It is clear that in a situation where the guidelines issued by the Central Government under Section 63 cover the situation, the Central Commission is bound by those guidelines and must exercise its regulatory functions, albeit under Section 79 (1)(b), only in accordance with those guidelines. As has been stated above, it is only in a situation where there are no guidelines framed at all or where the guidelines do not deal with a given situation that the Commission's general regulatory powers under Section 79 (1)(b) can then be used.”

Further, the Hon'ble Supreme Court of India in *Jaipur Vidyut Vitran Nigam Ltd. And Others v. MB Power (Madhya Pradesh) Limited and Others* 2024 SCC Online SC 26, while relying upon its earlier judgements passed in *Energy Watchdog v. CERC* (2017) 14 SCC 80 and *PTC India Ltd. Vs. CERC* (2010) 4 SCC 603 held that:

“113. We have already referred to Section 86(1)(b) of the Electricity Act, which is analogous to Section 79 of the Electricity Act, Section 79 determines the functions of Central Commission, whereas Section 86 provides for the functions of the State Commission, Section 86 of the Electricity Act empowers the State Commission to regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State.

114. It can thus be seen that Section 86(1)(b) of the Electricity Act gives ample power on the State Commission to regulate electricity purchase and procurement process of distribution licensees. It also empowers the State Commission to regulate the matters including the price at which electricity shall be procured from the generating companies etc.”

21. It is noted that where there are no guidelines or guidelines issued under Section 63 do not cover a particular situation, the Commission may exercise its wider regulatory powers under Section 86 (1) (b) along with Section 63 for approval/adoption of tariff and procurement process of distribution licensee.
22. The Commission further notes that the Central Government has not issued any guidelines for procurement of power from the DG Sets under Section 63. In the light of the principle enunciated in *Energy Watchdog* judgment and *Jaipur Vidyut Vitran Nigam Ltd.* judgement, the Commission adopts the tariff discovered through the tariff based transparent bidding process u/s 63 and approves Power Purchase Agreement u/s 86 (1)(b) of the Electricity Act, 2003.
23. In view of the above, the Commission accords approval of revised PPA with contract period for 3 (three) years from COD. The Commission directs the Petitioner and the Respondent to execute the Power Purchase Agreement as per terms & conditions duly approved by the Commission and place a duly notarized copy of the said PPA before the Commission within a week after execution of the said PPA. In case any extension of the PPA is required, the Petitioner may approach the Commission for approval well in advance before the expiry of existing PPA.
24. The Petitioner is directed to undertake prompt and efficient planning and execution of the proposed power plant so as to ensure its timely completion and to avoid any unforeseen disruption in the supply of electricity.
25. It is further directed to ensure timely execution of the upcoming RE plant and, in parallel, to explore and harness additional renewable energy resources to meet 100% of the power demand of Shaheed Dweep in the coming years.

26. Further, the Petitioner is directed to submit the copy of Letter of Award (LoA) and copy of Performance Bond/Security to the Commission after execution of the said PPA. Also, the Petitioner is directed to submit the copy of COD letter and the details & specification of DG sets such as no. of DG sets, make, model, capacity, year of manufacturing, efficiency etc. to the Commission within a week after the COD.

27. Ordered accordingly.

Sd/-
(Jyoti Prasad)
Member (Law)

Sd/-
(Alok Tandon)
Chairperson

(Certified Copy)



(Rajesh Dangi)
Secretary I/c

Place: Gurugram, Haryana
Date: 1st June, 2026