

Before the Uttar Pradesh Electricity Regulatory Commission

In the matter of Adani Energy Solutions Step Eleven Ltd and Adani Energy Solutions Ltd application for parallel distribution license in Data Centre Park being developed by DC Development Noida Ltd

Petition No. 2333 of 2025

Submission by Prayas (Energy Group)

15th September 2026

Prayas (Energy) Group's (PEG) submission is in response to the Public Notice dated 12 August 2026 seeking public comments on Petition No. 2333 of 2025 filed by Adani Energy Solutions Eleven Step Ltd and Adani Energy Solutions Ltd (combined, AESL or “the Petitioner”).

AESL has filed an application seeking a Distribution License as per sections 14 and 15 of the Electricity Act 2003 (“the E Act”) and the Uttar Pradesh Data Centre Policy 2021. The said license is being sought for the Data Centre Park being developed by DC Development Noida Limited (DCDNL) which was constituted by Adani Enterprises Ltd at Plot No. 20, Sector-62, Noida, Uttar Pradesh.

In this regard, we have a limited submission and queries as follows:

1. Clarity on standby arrangement with PVVNL

The current petition does not provide any details or clarity with regards to a standby agreement that may be entered into with the incumbent distribution licensee, i.e. PVVNL. Therefore, we recommend a clear standby agreement, where the standby and reliability services can be provided based on the following:

- a. A monthly commitment charge which is to be paid irrespective of whether the standby service is availed or not.
- b. Tiered charges based on an hourly per year basis with telescopic increase in rates across tiers.
- c. Annual limits for standby obligations to incentivise data centres to invest in storage and demand response, reduce unplanned drawl, and contract planned standby capacity through alternate commercial arrangements. This limit can be capped at 880 hours in a year (10% of hours in a year). Beyond this threshold, the DISCOMs obligation to supply shall be contingent on the DISCOMs demand-supply position, and may be priced at DISCOMs determined rates set at not less than three times the DISCOMs’ average cost of supply.
- d. The standby arrangement should be subject to regulatory scrutiny, and DISCOMs should be required to report standby services rendered. Further, any additional power procurement undertaken to fulfil standby obligations should be assessed using historical patterns.

2. Cost of dedicated capital investment by transmission or distribution utilities for the licence should be borne by DCDNL

The cost of any dedicated infrastructure required to be added by DISCOMs or the STU to cater to data centre reliability should be borne by the licensee. In a recent decision of the Maharashtra ERC (Case No. 88 of 2026, available [here](#)) – the Commission approved development of infrastructure under the dedicated distribution facility (DDF) framework. As per this, Lodha

Developer (being the developer under the Green Integrated Data Centre Developer) will bear the cost of 400/220 kV Sub-station, and transfer the same to the State Transmission Utility (STU) free of cost. Further operation and maintenance expenses incurred by the STU will also be reimbursed by Lodha Developer. This approach ensures that the entire cost of the project is being borne by Lodha Developers, and not added to the aggregate revenue requirement of the STU to be passed on to all consumers in the state.