

BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION AT PANCHKULA

Case No. HERC/Petition No. 15 of 2022

Date of Hearing : 30.03.2022
Date of Order : 30.03.2022

In the Matter of

Petition under Section 86(1)(b) of the Electricity Act, 2003 read with the Haryana Electricity Regulatory Commission (Conduct of Business) Regulations, 2019 seeking source approval for procurement of additional 75 MW gross power from 450 MW Baglihar Stage-1 Hydroelectric Project (HEP) of the Jammu and Kashmir State Power Development Corporation ('JKSPDC') situated on the river Chenab in Doda District of Jammu and Kashmir for 10 years w.e.f. 01.04.2022(April to October) at the existing terms and conditions.

Petitioner

Haryana Power Purchase Centre, Panchkula (HPPC)

Respondent

Jammu and Kashmir State Power Development Corporation (JKSPDC)

Present on behalf of the Petitioner through Video Conferencing

1. Sh. Amit Dewan, Director (Finance), UHBVN
2. Sh. Randeep Singh, Chief Engineer, HPPC

Present on behalf of the Respondent through Video Conferencing

Nil

Quorum

Shri R.K. Pachnanda
Shri Naresh Sardana

Chairman
Member

ORDER

1. The present petition has been filed by HPPC, a joint forum of the distribution licensees in Haryana i.e. UHBVN and DHBVN, seeking approval for procurement of additional 75 MW gross power from 450 MW Baglihar Stage-1 Hydroelectric Project (HEP) for 10 years w.e.f. 01.04.2022 (April to October). The petitioner herein, has an existing arrangement/PPA with the Baglihar HEP stage – I and stage – II at a tariff of INR 3.65/kWh at the generator's bus-bar.
2. HPPC has submitted that Haryana is expected to face shortage in power availability for onward supply to the electricity consumers, due to non-availability of power from Adani Power Ltd., CGPL Mundra and FGPP. Petitioner's submissions are as under:-
 - i) Adani Power Ltd. and CGPL Mundra has not been supplying any power to Haryana, from the last six months, on the plea that increase in the price of imported coal has made generation un-economical at the PPA tariff.

- ii) Adani Power Ltd. has proposed supply of some capacity from alternate source which is under deliberation.
- iii) No power is available from Faridabad Gas plant due to non-availability of cheaper gas i.e. APM.
- iv) HPPC shall face acute shortage of power during summer/paddy season in the FY 2022-23 to the tune of 1300 MW to 3800 MW in various time slots of the day.
- v) The rates in the Indian Energy Exchange (IEX) during summer/paddy season of 2021 were higher than the corresponding period in 2020. The rates in power exchange (s) for the peak hours are significantly on the higher side. The rates during peak hours are touching Rs. 20/unit since August 2021 (except January, 2022 where the maximum rate was Rs. 11.27/unit).
- vi) In order to bridge the gap, between demand and supply, the offer of M/s. JK-SPDC was considered by the SCPP in its 63rd meeting held 13.03.2022, for the offered 75 MW Power (April to October) from Baglihar Stage-1 for 10 years, at the existing terms & conditions (vide email dated 23.02.2022).
- vii) That HPPC is already buying following power from JKSPDC:-
 - a) 150 MW Hydro Power from the 450 MW Baglihar Stage-1 HEP for the next 10 years (50 MW w.e.f 01.04.2021 and 100 MW w.e.f. 01.07.2021) @ Rs. 3.65/unit.
 - b) 270 MW gross power during the months of May to September from 450 MW Baglihar Stage-2 Hydroelectric Project (HEP) for a period of 10 years w.e.f. May 2022, at Rs. 3.65/kWh.
- viii) That other charges or fees as per Open Access Regulations, 2008 and the Transmission Deviation charges as per Sharing of Inter-State Transmission Charges and Losses Regulations, 2020, are applicable. Transmission deviation charges, for a State or any other DIC located in the State, for a time block during a billing month has to be computed as per following formula:-

“1.05 X (transmission charges of the State for the billing month in Rs.)/ (quantum in MW of Long Term Access plus Medium Term Open Access of the State for the corresponding billing period X 2880)”.

It has been submitted that usage based component is the variable component and is payable as per the use of transmission lines. Therefore, even if the power is scheduled under STOA there may be some effect on the usage based component. However, actual impact of usage based component in respect to scheduling from a particular project cannot be assessed at this stage.

- ix) That the power procured from the proposed HEP source will help stabilize the deficit likely to be experienced during the peak season from the FY 2022-23 onwards. The demand-availability scenario for the State of Haryana prepared by HPPC, shows a deficit from FY 2021-22 onwards. Thus, the approval for procurement of power from Baglihar HEP-I will be in the larger interest of the State.
- x) That by taking into consideration of all factors and also evaluating the offer of JKSPDC after giving due weightage to the landed cost of power at its interface with the STU, procurement of power directly from Baglihar HEP-I under STOA was found feasible and economical i.e. Rs. 3.78/unit (sic). It is pertinent to mention here that tariff offered by JKSPDCL had been viable for procurement of hydro power. Further, the tariff of Baglihar HEP-1 is lesser than Haryana Average Power Purchase Cost (APPC).
- xi) The following prayers have been made:-
- a. Grant approval of source of additional 75 MW gross power round the clock from 450 MW Baglihar Stage-1 Hydroelectric Project (HEP) for a period of 10 years for months of April to October w.e.f. 01.04.2022 at the terms and conditions similar to procurement of 150 MW gross power being scheduled currently from Baglihar HEP Stage-1 of Generator JKSPDC; and
 - b. Pass any other order(s) and or direction(s), which the Hon'ble Commission may deem fit and proper in the facts and circumstances of the case.
3. The Commission has considered the submission and justification of the petitioner for procurement of 75 MW power during the months from April to October, for 10 years, from the 450 MW Baglihar Stage-1 Hydroelectric Project (HEP), at the terms and conditions similar to procurement of 150 MW power being scheduled currently from Baglihar HEP Stage-1 of the Generator i.e. JKSPDC.
4. The Commission is conscious of the fact that with the surge in demand during the months of April to October, due to power requirement of AP tube-well as well as air conditioning load, the supply of power is often inadequate. The supply side is further constrained because of non-availability of power from certain sources as previously mentioned. Added to this would be surrender of power from the expensive gas based sources such as Anta, Auraiya and Dadri as well as uncertainty in power availability from one unit of RGTPS.
5. Given the requirement for power, largely due to power not available from two large sources. viz. Adani Power Ltd. and Coastal Gujarat Power Ltd. (Mundra) and Faridabad Gas Power Plant (NTPC), due to non-availability of cheaper APM Gas, the Commission approves the same and the existing terms and conditions including tariff in line with procurement of 150 MW power from JKSPDC, earlier approved by this Commission.

6. Additionally, it is observed that the present proposal was received from JKSPDC vide email dated 09.02.2022, whereas, HPPC filed the present petition seeking approval of the Commission on 22.03.2022, with the proposal to procure power w.e.f. 01.04.2022 i.e. at the last moment, despite already being in the midst of power shortage that too at a time when the peak season has not even properly set in. It shows its lackadaisical approach and indifference to the interest of the electricity consumers at large.
7. The Commission has taken a very serious view of the aforesaid casual approach and irresponsible and indifferent attitude of the petitioner in handling an urgent matter which would have caused avoidable harassment to the electricity consumers of Haryana by way of disruption in electricity supply during the peak power demand months. Since power purchase is a sensitive matter and affects consumers, the Managing Director of UHBVNL is directed to personally ensure that all such urgent matters having financial impact and impact on service and electricity supply to the consumers of the state are dealt expeditiously and are filed in the Commission promptly.
8. The present petition brought before the Commission is disposed of in terms of the above order.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 30.03.2022.

Date: 30.03.2022
Place: Panchkula

(Naresh Sardana)
Member

(R.K. Pachnanda)
Chairman