

**BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION
BAYS No. 33-36, SECTOR-4, PANCHKULA- 134112, HARYANA**

Case No: HERC / Petition No. 19 of 2022

Date of Hearing

22.03.2023

Date of Interim Order

29.03.2023

In the Matters of:

Petition under Section 86 (1)(b) read with Section 63 of the Electricity Act, 2003 for approval of bidding documents including draft PPA for procurement of power on long term basis, along with the deviations being made from standard bidding documents issued by MoP, GoI for procurement of power on finance, own & operate basis.

Petitioner

Haryana Power Purchase Centre, Panchkula (HPPC)

Present on behalf of the Petitioner

1. Shri Naveen S Bhardwaj, Advocate for HPPC
2. Shri Gaurav Gupta, Xen, HPPC

Quorum

**Shri R.K. Pachnanda
Shri Naresh Sardana**

**Chairman
Member**

ORDER

1. The case was heard on 22.03.2023, as scheduled, in the Court room of the Commission.
2. At the time of hearing, the learned counsel Sh. Bhardwaj reiterated the submission and prayer(s) already made by HPPC in its instant petition under consideration of the Commission including the IA filed in the matter.
3. The Commission has considered the submissions made in the petition as well perused the demand and availability of power in Haryana.

Upon perusal of the documents placed on record in the present case, the Commission observes as under:-

- (i) The entire premises for seeking approval of the bidding documents for procurement of 1000 MW power on long term basis, is built on the fact that about 2836 MW of power tied-up with various generators on a long term basis, will not be available. Such premises assumes that the contract/PPA will not be available from various generators like APL, CGPL, FGPP and RGTPP-II etc.,

and is difficult to agree. The issue with Faridabad CCGT power plant of NTPC is non-availability of APM/Natural gas and high price of spot RLNG. The efforts currently underway by the Central Government including increasing the natural gas carried by the HBJ pipeline is expected to increase domestic natural gas supply. The conflict in Eastern Europe leading to restrictions and sanctions, may end sooner or later, thereby easing the price of imported LNG and supply uncertainly. Hence, at this stage FGPP capacity cannot be counted out. Further 600 MW RGTPS-II of Haryana Power Generation Corporation Ltd. (HPGCL) is of fairly recent vintage. It may be boxed up due to some technical issue. Hence, in the medium to long-run this source of power cannot be discounted.

- (ii) Additionally, due to the present global scenario and supply chain disruption imported coal based power plant like CGPL (Mundra) may be facing some difficulty due to exorbitant high price of imported coal. However, given the initiative and the directive issued by the Central Government under Section 11 of the Electricity Act, 2003, power from this source is likely to be available; the tariff is also expected to come down to normal levels with downward pressure on the cost of imported coal.
- (iii) The issue with APL is also not likely to continue in the medium to long run, with the efforts of the Government, at various level, domestic coal supply to APL is likely to be restored to normal levels; shortfall if any, can be met from the open market mechanism and stickiness, in terms of price and quantum, is also likely to seek normal levels in the medium to long-term. Resultantly, un-availability of ibid sources may be a short-term phenomena. In order to take care of the short-term exigencies this Commission has already approved purchase of 5905.19 Mus of short-term power at a cost of 3709 Crore. Further, the Commission has approved floating of tender (DEEP) for purchase of 750 MW of short-term power as well as offtake of power from the central pool (Dadri Thermal) and return of banked power of about 456 MW. Additionally 400 MW of hydro power has also been approved for purchase through the process of tendering, on a long-term basis. Hence, at this stage, no case is made out for purchase of 1000 MW of long-term power.
- (iv) The petitioner has also averred that the average deficit will range from 1160 MW in 2024-25 to 4217 MW in the FY 2032-33. The Commission has considered the submissions and agrees with the petitioner that given the long gestation period in setting-up a power plant, the Discoms ought to plan ahead. However, the power sector is undergoing a structural shift with various rules notified by the

Ministry of Power, GOI, including Green Open Access, mandatory setting-up of 40% of solar power corresponding to the setting-up of any new thermal capacity, likely shift in demand of C&I consumers away from the Grid to RE Captive and Open Access mechanism etc.

4. In view of the above discussions, the Commission is of the considered view that the petitioner may re-assess the power supply position vis-à-vis the power demand during April to September this year and then come back to the Commission with a fresh petition, if required. Anyway, the present proposal for long-term power would also take time to materialize.
5. In terms of the above discussions, the present petition is disposed of.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 29.03.2023.

Date: 29.03.2023
Place: Panchkula

(Naresh Sardana)
Member

(R.K. Pachnanda)
Chairman