

BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION AT PANCHKULA

Case No. HERC/Petition No. 28 of 2023

Date of Hearing : 19.05.2023
Date of Order : 19.05.2023

In the Matter of

Petition under Section 86(1)(b) and Section 63 of the Electricity Act, 2003 read with the Haryana Electricity Regulatory Commission (Conduct of Business) Regulations, 2019 seeking approval of source for the procurement of 750 MW RTC Power through tariff-based competitive bidding process on a short-term basis for the period between 01.05.2023 to 15.10.2023 floated through NIT-103/HPPC dated 23.02.2023.

Petitioner

Haryana Power Purchase Centre, Panchkula (HPPC)

Present on behalf of the Petitioner

1. Ms. Sonia Madan, Advocate

Quorum

Shri R.K. Pachnanda
Shri Naresh Sardana

Chairman
Member

ORDER

Brief Background of the case

1. The present petition has been filed by HPPC seeking approval for procurement of 750 MW RTC power, on short term basis from 01.05.2023 to 15.10.2023 at a tariff discovered through transparent process of competitive bidding (NIT-103) under section 63 of the Electricity Act, 2003.
2. HPPC has submitted that it is currently facing a deficit of power to meet the demand of the consumers of the State due to non-availability of power from CGPL Mundra & Faridabad Gas Power Plant (FGPP), despite having long-term power purchase agreement with these Generators. The Petitioner is projecting a power deficit of about 1200 MW to 2400 MW during the forthcoming summer months of FY 2023-24. HPPC has submitted the following tables depicting the current Demand-Availability projections for FY 2023-24, based on the actual peak demand from FY 2011-12 to 2021-22 is as under:-

Demand & Availability Scenario for FY 2023-24 as on 11.04.2023					
Month	Projected Peak Demand (in MW)	Normative Availability w/o FGPP & CGPL (in MW)	STP Arrangements (Banking, Dadri-I)	Actual Availability (in MW)	Surplus (+)/ Deficit (-) (in MW)
April'23	9890	8936	259	9195	-695
May'23	10541	9105	250	9355	-1186
June'23	13463	9847	1229	11076	-2388
July'23	13457	9960	2045	12005	-1452

Demand & Availability Scenario for FY 2023-24 as on 11.04.2023					
Month	Projected Peak Demand (in MW)	Normative Availability w/o FGPP & CGPL (in MW)	STP Arrangements (Banking, Dadri-I)	Actual Availability (in MW)	Surplus (+)/ Deficit (-) (in MW)
Aug'23	12742	9960	2172	12132	-610
Sept'23	12865	9354	2010	11365	-1500
Oct' 23	9730	8311	314	8625	-1105
Nov' 23	7858	8292	285	8577	718
Dec' 23	8441	8318	222	8540	99
Jan' 24	8817	8590	-203	8387	-430
Feb' 24	8650	8651	-203	8448	-202
Mar' 24	8016	8662	-277	8386	369

Note: Normative availability has been computed from all sources except CGPL and FGPP.

3. That the maximum demand for power during the FY 2020-2021 was 10894 MW. In the subsequent financial years i.e. FY 2021-2022 and 2022-2023, the maximum demand for power had increased to 12120 MW and 12768 MW respectively. Consequently, it is expected that the peak demand may cross 13450 MW in FY 2023-24.
4. The Petitioner suffered from a power deficit during the summer/paddy season of the year 2022, despite having purchased 300 MW RTC power in May 2022, 400 MW RTC power in June 2022, 380 MW RTC power in July 2022, 420 MW RTC in August 2022 and 510 MW RTC power in September 2022 and 150 MW RTC Power till 15th October 2022 against NIT-93. Also, short term power of 300 MW was procured from NEEPCO (Kemang Hydro Power Plant) through NVVN, Medium Term power of 150MW thermal power from M/s MB Power Ltd and also 500 MW unallocated power of Dadri-II (NTPC) Thermal Plant was procured from 1st July 2022 to 31st October 2022. Apart from this, an additional 172 MW unallocated power from Central Generating Stations was scheduled from 1st April 2022 to 30th September 2022. Despite all these arrangements, the State of Haryana faced deficit of power and the balance power was arranged through IEX.
5. That the tariff of power procured through Indian Energy Exchange Limited ("IEX") during the summer/paddy season in the year 2022 was higher than the corresponding period in years 2020 and 2021. The quantum of power purchased from the exchange during the current FY 2022-23 and the cost thereof are tabulated below:

Month	Quantum at Regional Periphery (LU)	Total Cost (Lakhs)	Landed cost at State Periphery (Rs/ Kwh)
April '22	5619.37	62661.02	11.50
May '22	5478.38	43433.84	8.20
June '22	5109.66	36327.65	7.35
July '22	2006.17	12064.33	6.22
August '22	3330.85	20577.17	6.40
Sept. '22	4078.20	28938.93	7.31
Oct '22	274.60	1193.24	4.49
Nov '22	607.34	3109.81	5.32

Dec '22	1809.56	11862.33	6.83
January '23	2667.41	22846.18	8.95
February '23	3012.94	22362.93	7.72
March '23	869.51	4766.54	5.69
Total	34863.98	270143.98	8.02

6. That the tariff for peak hours is usually very high. Currently, by virtue of the Order of the Hon'ble CERC dated 31.03.2023, the tariff has been capped at Rs. 10/- per unit for the purchase of power through Power Exchange(s). However, the weighted average rate during the month of May, 2023 again present NIT has been calculated as Rs. 10.18/- per unit. The average and maximum cost of power since the start of April, 2023 is depicted hereunder for ready reference: -

Date	Avg. Rate (Rs. /unit)	Max. Rate (Rs. /unit)
01-04-2023	4.32	7.00
02-04-2023	3.50	4.65
03-04-2023	4.12	6.98
04-04-2023	4.28	6.10
05-04-2023	4.34	7.36
06-04-2023	4.68	7.86
07-04-2023	4.47	8.00
08-04-2023	5.34	10.00
09-04-2023	5.19	10.00
10-04-2023	6.70	10.00
11-04-2023	6.81	10.00
12-04-2023	6.98	10.00
13-04-2023	6.89	10.00
14-04-2023	6.90	10.00
15-04-2023	7.16	10.00
16-04-2023	6.65	10.00
17-04-2023	6.64	10.00
Average	5.59	8.81

7. That the Grid Controller of India (POSOCO) has forecasted a very high electricity demand of in the first half of May, 2023 in the country which has led to the Ministry of Power ('MoP'), Government of India issuing instructions disallowing any planned maintenance which was scheduled during the peak demand period i.e. for the crunch period 01.04.2023 to 15.05.2023.
8. That from the foregoing scenario, it is likely that there shall be a power deficit and the cost of power will further rise in the summer/paddy season of the year 2023. That HPPC is seeking to meet power requirements through various alternate sources i.e. medium-term and short-term sources. With an endeavour to bridge the gap between demand and availability of power from 01.05.2023 to 15.10.2023, a Notice Inviting Tender ('NIT') was floated by the Petitioner through NIT No. 103/HPPC dated

23.02.2023 for purchase of 750 MW RTC power through tariff based competitive bidding process using National e-bidding portal i.e. DEEP Portal in accordance with the guidelines dated 30.03.2016 issued by the MoP.

9. That six bidders namely M/s Tata Power Trading Company Ltd., M/s NTPC Vidyut Vyapar Nigam Ltd, M/s Sembcorp Energy India Ltd., M/s Manikaran Power Ltd., M/s PTC India Ltd. and M/s Maharashtra State Electric Distribution Co. Ltd. had submitted their bids. The technical bid was opened on 18.03.2023.
10. That the financial bid was opened on 21.03.2023. Thereafter, the e-reverse auction ('E-RA') was held on the same date. The final bid prices after considering bucket filling and after reducing the transmission charges of 57 paise per unit is as under: -

Period	Name of Trader	Name of Trader	Quantum	Rate Discovered after reducing 57 Paise (Rs/unit)	Weighted Avg. Rate (Rs/unit)
01-05-2023 to 31-05-2023	Tata Power Trading Company Limited	Nava Bharat Venture Limited, IPP, Odisha	25	9.430	10.18
	Tata Power Trading Company Limited	Nava Bharat Venture Limited, CPP, Odisha	25	9.430	
	Tata Power Trading Company Limited	Govt. of Himachal Pradesh	50	9.430	
	Sembcorp Energy India Limited	Sembcorp Energy India Ltd (SEIL), AP	25	10.920	
	PTC India Limited	DB Power Limited, Chhatisgarh	25	12.430	
	Total Quantum		150		
01-06-2023 to 30-06-2023	NTPC Vidyut Vyapar Nigam Limited	IL&FS Tamil Nadu Power Co. Ltd.	140	8.390	8.51
	Tata Power Trading Company Limited	Nava Bharat Venture Limited, CPP, Odisha	50	8.390	
	Sembcorp Energy India Limited	Sembcorp Energy India Ltd (SEIL), AP	70	8.390	
	PTC India Limited	DB Power Limited, Chhatisgarh	50	8.390	
	Tata Power Trading Company Limited	Govt. of Himachal Pradesh	50	8.430	
	Adani Enterprises Limited	Mahan Energen Limited (MEL)	200	8.510	
	PTC India Limited	JSW Energy Limited Karnataka	100	8.930	
	Total Quantum		660		
01-07-2023 to 31-07-2023	Adani Enterprises Limited	Mahan Energen Limited (MEL)	200	7.410	7.46
	PTC India Limited	Simhapuri Energy Limited, AP	150	7.410	
	Manikaran Power Limited	Dhariwal Infrastructure Limited	50	7.410	
	Tata Power Trading Company Limited	Nava Bharat Venture Limited, CPP, Odisha	25	7.410	

	Tata Power Trading Company Limited	Nava Bharat Venture Limited, IPP, Odisha	45	7.410	
	Sembcorp Energy India Limited	Sembcorp Energy India Ltd (SEIL), AP	70	7.410	
	PTC India Limited	DB Power Limited, Chhatisgarh	50	7.410	
	NTPC Vidyut Vyapar Nigam Limited	Adhunik Power & Natural Resources Ltd.	50	7.410	
	Ambitious Power Trading Company Limited	Jindal Power Ltd (JPL)	50	7.450	
	Maharastra State electricity Distribution Co. Ltd.	MSEDCL's Pool Power	60	8.010	
	Total Quantum		750		
01-08-2023 to 31-08-2023	Ambitious Power Trading Company Limited	Jindal Power Ltd (JPL)	100	7.400	7.47
	Sembcorp Energy India Limited	Sembcorp Energy India Ltd (SEIL), AP	70	7.400	
	Manikaran Power Limited	Dhariwal Infrastructure Limited	50	7.400	
	PTC India Limited	Simhapuri Energy Limited, AP	150	7.400	
	Adani Enterprises Limited	Mahan Energen Limited (MEL)	200	7.400	
	NTPC Vidyut Vyapar Nigam Limited	Adhunik Power & Natural Resources Ltd.	50	7.400	
	Tata Power Trading Company Limited	Nava Bharat Venture Limited, IPP, Odisha	45	7.400	
	Maharastra State electricity Distribution Co. Ltd.	MSEDCL's Pool Power	85	8.010	
	Total Quantum		750		
01-09-2023 to 30-09-2023	Ambitious Power Trading Company Limited	Jindal Power Ltd (JPL)	100	7.930	8.00
	Manikaran Power Limited	Dhariwal Infrastructure Limited	50	7.930	
	Adani Enterprises Limited	Mahan Energen Limited (MEL)	200	7.930	
	NTPC Vidyut Vyapar Nigam Limited	Adhunik Power & Natural Resources Ltd.	50	7.930	
	Sembcorp Energy India Limited	Sembcorp Energy India Ltd (SEIL), AP	50	7.930	
	Tata Power Trading Company Limited	Nava Bharat Venture Limited, IPP, Odisha	45	7.930	
	NTPC Vidyut Vyapar Nigam Limited	IL&FS Tamil Nadu Power Co. Ltd.	255	8.130	
	Total Quantum		750		
01-10-2023 to 15-10-2023	Ambitious Power Trading Company Limited	Jindal Power Ltd (JPL)	200	7.930	8.01
	PTC India Limited	Simhapuri Energy Limited, AP	150	7.930	

	NTPC Vidyut Vyapar Nigam Limited	Adhunik Power & Natural Resources Ltd.	50	7.930	
	Tata Power Trading Company Limited	Nava Bharat Venture Limited, IPP, Odisha	45	7.930	
	NTPC Vidyut Vyapar Nigam Limited	IL&FS Tamil Nadu Power Co. Ltd.	305	8.130	
	Total Quantum		750		
Weighted Average Rate					7.96

11. That keeping in view the interest of the consumers at large and CERC order dated 31.03.2023 of the capping at Rs10/- for the purchase of power through power exchanges, the petitioner has considered the whole quantum and prices except the rates above Rs 10/- in the month of May 2023 after which the rates discovered is tabulated as below :-

Period	Name of Trader	Name of Trader	Quantum	Rate Discovered after reducing 57 Paisa (Rs/ unit)	Weighted Avg. Rate (Rs/ unit)
01-05-2023 to 31-05-2023	Tata Power Trading Company Limited	Nava Bharat Venture Limited, IPP, Odisha	25	9.430	9.43
	Tata Power Trading Company Limited	Nava Bharat Venture Limited, CPP, Odisha	25	9.430	
	Tata Power Trading Company Limited	Govt. of Himachal Pradesh	50	9.430	
	Total Quantum		100		
01-06-2023 to 30-06-2023	NTPC Vidyut Vyapar Nigam Limited	IL&FS Tamil Nadu Power Co. Ltd.	140	8.390	8.51
	Tata Power Trading Company Limited	Nava Bharat Venture Limited, CPP, Odisha	50	8.390	
	Sembcorp Energy India Limited	Sembcorp Energy India Ltd (SEIL), AP	70	8.390	
	PTC India Limited	DB Power Limited, Chhatisgarh	50	8.390	
	Tata Power Trading Company Limited	Govt. of Himachal Pradesh	50	8.430	
	Adani Enterprises Limited	Mahan Energen Limited (MEL)	200	8.510	
	PTC India Limited	JSW Energy Limited Karnataka	100	8.930	
	Total Quantum		660		
01-07-2023 to 31-07-2023	Adani Enterprises Limited	Mahan Energen Limited (MEL)	200	7.410	7.46
	PTC India Limited	Simhapuri Energy Limited, AP	150	7.410	
	Manikaran Power Limited	Dhariwal Infrastructure Limited	50	7.410	
	Tata Power Trading Company Limited	Nava Bharat Venture Limited, CPP, Odisha	25	7.410	

	Tata Power Trading Company Limited	Nava Bharat Venture Limited, IPP, Odisha	45	7.410	
	Sembcorp Energy India Limited	Sembcorp Energy India Ltd (SEIL), AP	70	7.410	
	PTC India Limited	DB Power Limited, Chhatisgarh	50	7.410	
	NTPC Vidyut Vyapar Nigam Limited	Adhunik Power & Natural Resources Ltd.	50	7.410	
	Ambitious Power Trading Company Limited	Jindal Power Ltd (JPL)	50	7.450	
	Maharastra State electricity Distribution Co. Ltd.	MSEDCL's Pool Power	60	8.010	
	Total Quantum		750		
01-08-2023 to 31-08-2023	Ambitious Power Trading Company Limited	Jindal Power Ltd (JPL)	100	7.400	7.47
	Sembcorp Energy India Limited	Sembcorp Energy India Ltd (SEIL), AP	70	7.400	
	Manikaran Power Limited	Dhariwal Infrastructure Limited	50	7.400	
	PTC India Limited	Simhapuri Energy Limited, AP	150	7.400	
	Adani Enterprises Limited	Mahan Energen Limited (MEL)	200	7.400	
	NTPC Vidyut Vyapar Nigam Limited	Adhunik Power & Natural Resources Ltd.	50	7.400	
	Tata Power Trading Company Limited	Nava Bharat Venture Limited, IPP, Odisha	45	7.400	
	Maharastra State electricity Distribution Co. Ltd.	MSEDCL's Pool Power	85	8.010	
	Total Quantum		750		
01-09-2023 to 30-09-2023	Ambitious Power Trading Company Limited	Jindal Power Ltd (JPL)	100	7.930	8.00
	Manikaran Power Limited	Dhariwal Infrastructure Limited	50	7.930	
	Adani Enterprises Limited	Mahan Energen Limited (MEL)	200	7.930	
	NTPC Vidyut Vyapar Nigam Limited	Adhunik Power & Natural Resources Ltd.	50	7.930	
	Sembcorp Energy India Limited	Sembcorp Energy India Ltd (SEIL), AP	50	7.930	
	Tata Power Trading Company Limited	Nava Bharat Venture Limited, IPP, Odisha	45	7.930	
	NTPC Vidyut Vyapar Nigam Limited	IL&FS Tamil Nadu Power Co. Ltd.	255	8.130	
	Total Quantum		750		
01-10-2023 to 15-	Ambitious Power Trading Company Limited	Jindal Power Ltd (JPL)	200	7.930	8.01

10-2023	PTC India Limited	Simhapuri Energy Limited, AP	150	7.930
	NTPC Vidyut Vyapar Nigam Limited	Adhunik Power & Natural Resources Ltd.	50	7.930
	Tata Power Trading Company Limited	Nava Bharat Venture Limited, IPP, Odisha	45	7.930
	NTPC Vidyut Vyapar Nigam Limited	IL&FS Tamil Nadu Power Co. Ltd.	305	8.130
	Total Quantum		750	
Weighted Average Rate				7.90

12. That in case the petitioner buys deficit quantum through the power exchange(s) during the summer/ paddy season of the year 2023, there is a likelihood of procuring the power at an exorbitant price coupled with unreliable supply during the peak season which consequently shall lead to large scale power cuts for the consumers of Haryana. Further, during the time slots where rates in power exchange are higher, there is difficulty in clearance of requisite bid quantum. The detail of quantum bid v/s cleared for the month of April '23 is tabulated below: -

Date	Quantum bid (in LU)	Quantum cleared (in LU)	Quantum not cleared (in LU)
10-04-2023	6.93	0.00	6.93
11-04-2023	6.43	3.40	3.03
12-04-2023	10.85	3.65	7.20
13-04-2023	54.22	18.55	35.67
14-04-2023	110.22	48.46	61.76
15-04-2023	113.03	23.39	89.64
16-04-2023	64.93	21.59	43.34
17-04-2023	55.51	18.00	37.51

13. In view of the requirement of power from May 2023 to October 2023, the procurement of power on short-term basis based on competitive bidding was found feasible and favorable by HPPC. Accordingly, the approval for procurement of power on short-term basis shall help the State of Haryana in meeting the power requirement for the peak season of the FY 2023-24.
14. HPPC has made the following prayers: -
- Grant approval of source for the procurement of power upto 750 MW RTC power on short-term basis from 01.05.2023 to 15.10.2023 at a tariff discovered through competitive bidding (NIT-103) under Section 63 of the Electricity Act, 2003.
 - Allow the Petitioner-HPPC to issue a Letter of Award to selected bidders for purchase of 750 MW RTC power from 01.05.2023 to 15.10.2023
 - Grant approval for procurement of power upto 750 MW RTC power at the earliest as the validity of the bids is of 90 days from the date of e-RA i.e. up till 19.06.2023.

- d) Pass any such further order(s) or direction(s) that this Hon'ble Commission may deem fit and necessary in the facts and circumstances of the case.

Proceedings in the Case

15. The case was initially heard on 03.05.2023, in the court room of the Commission, wherein the petitioner (HPPC) mainly reiterated the contents of its petition, which for the sake of brevity has not been reproduced. Upon hearing the parties, the Commission, vide its order dated 04.05.2023, directed HPPC to take a re-look at their proposal. HPPC was directed to submit the revised power deficit position, after considering the recent approvals and justifying the sale in the power exchange at a significantly lower price, that too after non-scheduling of 2450 MW tied up power under long term power purchase agreements.
16. In compliance of the interim order of the Commission dated 04.05.2023, HPPC has filed its detailed reply, vide memo dated 16.05.2023. HPPC has submitted as under: -
- 16.1 That the Commission, vide its order dated 04.05.2023, had directed HPPC to take a re-look at their proposal. HPPC was directed to submit the revised power deficit position, after considering the recent approvals and justifying the sale in the power exchange at a significantly lower price, that too after non-scheduling of 2450 MW tied up power under long term power purchase agreements.
- 16.2 That as on 08.05.2023, the total tied up capacity (long term arrangement) for the State of Haryana is 13497.77MW. HPPC considers the availability based upon the Plant Load Factor (PLF) of all the generating units which is tabulated as below:

Type of Plant	Plant Load Factor (PLF)
Thermal/ Gas	85%
Hydro	a) 61% - April, May, Sept. b) 87% - June, July, August c) 26% - Oct to March
Solar	19%
Wind	34%
Biomass	80%

After considering the respective PLF, the normative availability from all long-term and short-term sources from May to October 2023 (except CGPL Mundra and FGPP) comes out to be in the range of 8625 MW – 12132MW. The above availability includes power from short term arrangement through competitive bidding (750 MW), Greenyana Solar (10.72MW), NTPC Dadri-I (179 MW), unallocated power from CGS Plants (106-266 MW), Neepco Hydro (300 MW), Cross Border Hydro (200 MW) and power from Adani Power Limited.

- 16.3 That the peak demand felt during summer/ paddy season of 2022 was 12627 MW. On the basis restricted CAGR @ 6.12% as per 20th Electric Power Survey (EPS) report of CEA, the anticipated peak demand for 2023 works to be 13450 MW.
- 16.4 The brief details of demand supply scenario after considering all currently contracted long and short term sources are tabulated below:

Month	Predicted Peak Demand (MW)	Total availability (Long term + Short term) (MW)	Surplus (+)/ Deficit (-)
May 23	10541	9355	(-)1186
June 23	13463	10976	(-)2488
July 23	13457	12005	(-)1452
August 23	12742	12132	(-)610
September 23	12865	11365	(-)1500
October 23	9730	8625	(-)1105

- 16.5 That the demand and supply projection placed on record, considers the quantum of power approved by the Commission during last 4 months.
- 16.6 That the power was surplus during the month of April 2023 due to unprecedented weather conditions (wind/rain in northern India). As per forecast of various weather forecast agencies from April- May 2023, high temperature was expected as compared to previous year. Ministry of Power, Government of India also anticipated a surge in demand and vide its letter dated 20.12.2022, they directed all thermal units not to avail any type of planned maintenance which was scheduled during the peak demand period i.e., for the crunch period 01.04.2023 to 15.05.2023.
- 16.7 Further, during the month of April 2023, the AP and RDS feeders were being run on minimum load during the day hours. Since, the field offices keep the RDS and AP feeders switched off on the request of local farmers/panchayats to avoid any instance of fire to the ripened crops, the same led to lesser consumption of power during daytime. This caused surplus quantum of power in specified slots. HPPC is able to surrender/ back down thermal/ gas units up to approx. 2500MW only. Therefore, any quantum beyond 2500MW falls under 'must sell' category to maintain the Grid discipline. It is on account of the same that the Petitioner-HPPC had to place sale bid at available price to avoid excessive under drawl.
- 16.8 That the State of Haryana experienced deficit in power during April-22 and May-22. To meet this deficit, HPPC had purchased power from power exchange. The details of quantum purchased during this period from power exchanges is as under:

Month	Quantum at Regional Periphery (LU)	Total Cost (Lakhs)	Landed cost at State Periphery (Rs/ Kwh)
April '22	5619.37	62661.02	11.50
May '22	5478.38	43433.84	8.20

Presently, the rates in power exchange have again touched maximum ceiling of Rs. 10/- (as capped by CERC) after the rains subsided in peak hours. Also, before the weather disturbance commenced (rain/wind) the maximum rate in power exchange was Rs. 10/-. The date wise detail of exchange rates for the month of April and May, 2023 is appended herewith marked as Annexure P-B.

- 16.9 That load demand of State is maximum during April/ May to October, 2023 due to summer/ paddy season. As per IMD, the monsoon shall remain normal during this summer in North India whereas as per Skymet, it is predicted that monsoon will remain 'below normal'. The World Metrological Organisation (WMO) has also issued warning to the effect that El-Nino may impact this monsoon causing severe drought in parts of South Asia including India.
- 16.10 That in case the Petitioner-HPPC buys deficit quantum through the power exchange(s) during the summer/ paddy season of the year 2023, there is a likelihood of procuring the power at an exorbitant price coupled with irregular/ partial/ nil power during the peak hours which consequently shall lead to large scale power cuts for the consumers of the State. Discoms are under a statutory obligation to supply 24x7 uninterrupted power in its licensed area. The Electricity (Rights of consumers) rules notified by Ministry of Power, Gol, also strive to establish that the consumers have the right to get reliable services and quality electricity from the distribution licensee(s) of his area.
- 16.11 That in the interest of justice, the Hon'ble Commission may grant approval of source for the procurement of power upto 750 MW RTC power on short-term basis from 01.05.2023 to 15.10.2023 at a tariff discovered through competitive bidding (NIT-103) under Section 63 of the Electricity Act, 2003.

Commission's Order

17. HPPC has prayed that the Hon'ble Commission may accord source approval on an urgent basis as bids are valid up to 19th June 2023 only.
18. The Commission has considered the submission and justification of the petitioner for procurement of 750 MW RTC power during the months from 01.05.2023 to 15.10.2023 at the tariff discovered through competitive bidding (NIT-103) under Section 63 of the Electricity Act, 2003.
19. The Commission is conscious of the fact that the supply of coal and thermal generation thereof is likely to remain constrained in the FY 2023-24. Further, the constraints in the availability of Administered Pricing Mechanism (APM) gas coupled with surge in demand is likely to adversely impact energy balance putting upward pressure on the short- term power purchase. Thus, due to grim availability of power and adverse power market scenario in the coming period, power prices are expected to soar up in the

power exchange. Although, so far, the month of May has not experienced any surge in the demand. The Commission tends to agree with HPPC that demand is expected to rise exorbitantly during the months of June to October, due to power requirement of AP tube-well as well as air conditioning load. The Commission, however, observes that power procurement ought to be meticulously planned well in advance in order to avoid expensive short-term purchase as well as sale of surplus power in certain slots at a rate lower than the cost of procurement of such power. Notwithstanding the above, the Commission, in larger interest of the electricity consumers, so that they get uninterrupted supply of power during the summer months, in view of the deficit projected by the Discoms/HPPC, has considered it appropriate to accord source approval as prayed for in the petition, for procurement of power from 01.06.2023 to 15.10.2023 and the tariff discovered under Section 63 of the Electricity Act, 2003, is adopted.

20. 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 19.05.2023.

Date: 19.05.2023
Place: Panchkula

(Naresh Sardana)
Member

(R.K. Pachnanda)
Chairman