# BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION AT PANCHKULA

# HERC/Petition No. 10 of 2024

Date of Hearing : 05.03.2024 Date of Order : 05.03.2024

## 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 and adoption of tariff for the procurement of up to 2337 MW Power through tariff-based competitive bidding process on a short-term basis for the period between 01.05.2024 to 15.10.2024 floated through NIT-108/HPPC and NIT-110/HPPC.

## Petitioner

Haryana Power Purchase Centre, Panchkula (HPPC)

#### Present on behalf of the Petitioner

- 1. Ms. Sonia Madan, Advocate
- 2. Sh. Gaurav Gupta, Xen, HPPC

#### Quorum

Shri Nand Lal Sharma Shri Naresh Sardana Shri Mukesh Garg Chairman Member Member

# ORDER

# **Brief Background of the case**

The present petition has been filed by HPPC, a joint forum of Haryana Distribution licensees for power purchase/trading, seeking source approval and adoption of tariff for procurement of 2337 MW RTC power at the tariff discovered through a transparent process of competitive bidding, on a short-term basis for the period between 01.05.2024 to 15.10.2024.

## 2. HPPC's submissions: -

2.1 That, HPPC had earlier filed a petition, i.e. Petition no. 28 of 2023 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. The Hon'ble Commission, vide Order dated 19.05.2023, acknowledged that there is peak demand in the months of June to October due to power requirement of AP tube-well as well as air conditioning load and also that there are constraints in supply of thermal power. Accordingly, the

- approval of source for procurement of power short-term basis for the period between 01.05.2023 to 15.10.2023 was approved.
- 2.2 That considering the requirement of power during peak summer months and paddy season, as also experienced over the previous years, HPPC, with an endeavor to bridge the gap between demand and availability of power from 01.05.2024 to 15.10.2024, issued two Notice Inviting Tenders ('NIT-108' and 'NIT-110') for purchase of 750 MW RTC power each 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.
- 2.3 That NIT-108 was issued on 16.11.2023 with bid submission date as 06.12.2023. The non-financial/ technical bids were opened on 07.12.2023. The financial bids were opened on 12.12.2023 and e-reverse auction ('E-RA') was held on the same day.
- 2.4 That NIT-110 was issued on 13.12.2023 for purchase of short term RTC power during 01.05.2024 to 15.10.2024 through Deep portal. The non-financial/ technical bids were opened on 09.01.2024. The financial bids were opened by M/s PFC on 11.01.2024 and the e-RA was held on the same day.
- 2.5 That as per Clause 10 of NIT(s), the bidders were asked to quote a single tariff at the delivery point i.e. Haryana periphery (excluding GNA/ T-GNA charges). As such, the quoted tariff was exclusive of General Network Access (GNA)/ transmission charges which are currently @ 53 paise per unit.
- 2.6 That, the discovered tariffs of ibid NITs were apprised to Steering Committee for Power Planning (SCPP) in its 72nd meeting held on 08.02.2024. After considering various factors such as availability, requirement and prevailing cost of power, SCPP approved the procurement of power from the following selected bidders:-

| NIT No.   | Name of Bidder                   | Source                                  | Qtm.<br>(MW) | Rate quoted (Rate/ unit) |
|-----------|----------------------------------|---|--------------|--------------------------|
| 01.05.202 | 4 to 31.05.2024                  |   |              |                          |
| NIT-108   | NTPC Vidyut Vyapar Nigam Ltd     | IL&FS Tamilnadu Power Company Ltd       | 260          | 7.92                     |
|           | Ambitious Power Trading Co. Ltd. | JSPL- Dongamauha Captive Power          | 100          | 7.92                     |
|           | Tata Power Trading Co. Ltd.      | Nava Bharat Energy India Ltd (NBEIL)    | 75           | 8.25                     |
|           | Jindal Power Limited             | Jindal Power Ltd., Tamnar, Chhattisgarh | 25           | 8.29                     |
|           | PTC INDIA LIMITED                | Nava Bharat Ventures Ltd (NBVL-CPP)     | 25           | 9.00                     |
|           | Adani Enterprises Ltd            | Mahan Energen Ltd                       | 25           | 9.00                     |
|           | Adani Enterprises Ltd            | Adani Power Ltd - Raipur TPP            | 25           | 9.00                     |
|           | PTC India Limited                | JSW Energy Ltd - Ratnagiri, Maharshtra  | 150          | 9.04                     |
|           | Tata Power Trading Co. Ltd.      | JPL Shirpur Power Plant                 | 50           | 9.09                     |
|           |                                  | Total                                   | 735          | 8.38                     |
| NIT-110   | OPG Power Generation Pvt Ltd     | OPG Power Generation Pvt Ltd            | 72           | 8.75                     |
|           |                                  | Total                                   | 72           | 8.75                     |
| 01.06.202 | 4 to 30.06.2024                  |   |              |                          |
| NIT-108   | OPG Power Generation Pvt Ltd     | OPG Power Generation Pvt Ltd            | 225          | 6.73                     |
|           | NTPC Vidyut Vyapar Nigam Ltd     | Jaypee Bina Thermal Power Plant, MP     | 50           | 6.74                     |
|           | Ambitious Power Trading Co. Ltd. | JSPL- Dongamauha Captive Power Plant    | 100          | 6.75                     |
|           | Adani Enterprises Ltd            | Adani Power Ltd - Raipur TPP            | 150          | 6.92                     |
|           | Tata Power Trading Co. Ltd.      | Nava Bharat Ventures Ltd-Odisha-IPP     | 45           | 7.00                     |

|           | Tata Power Trading Co. Ltd.                  | Nava Bharat Energy India Ltd (NBEIL)                                     | 60        | 7.00         |
|-----------|--|--|-----------|--------------|
|           | PTC India Limited                            | Dhariwal Infrastructure Ltd - STU  | 33        | 7.25         |
|           | Manikaran Power Limited                      | ACB India Ltd Korba, Chhattisgarh  | 25        | 7.25         |
|           | Adani Enterprises Ltd                        | Mahan Energen Ltd  | 100       | 7.45         |
|           | NTPC Vidyut Vyapar Nigam Ltd                 | SKS Power Generation Ltd, Chhattisgarh                                   | 50        | 7.50         |
|           | Jindal Power Limited                         | Jindal Power Ltd (Simhapuri Unit)  | 100       | 7.71         |
|           | Jindal Power Limited                         | Jindal Power Ltd., Tamnar, Chatisgarh                                    | 25        | 7.77         |
|           | NTPC Vidyut Vyapar Nigam Ltd                 | Jaypee Nigrie Super Thermal Power Plant                                  | 100       | 7.99         |
|           | PTC India Limited                            | NAVA BHARAT VENTURES Ltd, Odisha   | 25        | 8.00         |
|           | Tata Power Trading Co. Ltd.                  | JPL Shirpur Power Plant  | 100       | 8.55         |
|           |  | Total  | 1188      | 7.29         |
| NIT-110   | NTPC Vidyut Vyapar Nigam Ltd                 | SKS Power Generation (Chhattisgarh)                                      | 50        | 7.98         |
|           | OPG Power Generation Pvt Ltd                 | OPG Power Generation Pvt Ltd   | 72        | 7.98         |
|           | NTPC Vidyut Vyapar Nigam Ltd                 | Jhabua Power Limited, Distt. Seoni, MP                                   | 25        | 7.98         |
|           | NTPC Vidyut Vyapar Nigam Ltd                 | Jaypee Nigrie Super Thermal Power, MP                                    | 100       | 8.25         |
|           | , , , ,                                      | Total  | 247       | 8.09         |
| 01.07.202 | 4 to 31.07.2024                              |  |           |              |
| NIT-108   | OPG Power Generation P Ltd.                  | OPG Power Generation Pvt Ltd   | 225       | 6.28         |
|           | Tata Power Trading Co. Ltd.                  | Nava Bharat Ventures Ltd-Odisha-IPP                                      | 45        | 6.29         |
|           | Manikaran Power Limited                      | BLA Power Private Ltd, MP  | 25        | 6.29         |
|           | MANIKARAN POWER LIMITED                      | ACB India Ltd Korba, Chhattisgarh  | 25        | 6.29         |
|           | JINDAL POWER LIMITED                         | Jindal Power Ltd., Tamnar, Chatisgarh                                    | 200       | 6.29         |
|           | NTPC Vidyut Vyapar Nigam Ltd                 | Jaypee Bina Thermal Power Plant (JBTPP)                                  | 50        | 6.29         |
|           | Jindal Power Limited                         | Jindal Power Ltd (Simhapuri Unit)  | 100       | 6.29         |
|           | NTPC Vidyut Vyapar Nigam Ltd                 | IL&FS Tamil Nadu Power Company Ltd                                       | 275       | 6.29         |
|           | NTPC Vidyut Vyapar Nigam Ltd                 | SKS Power Generation Ltd, Chhattisgarh                                   | 50        | 6.29         |
|           | Adani Enterprises Ltd                        | ADANI POWER LTD - RAIPUR TPP   | 150       | 6.39         |
|           | ·  |  |           |              |
|           | Tata Power Trading Co. Ltd.                  | Nava Bharat Energy India Ltd (NBEIL)                                     | 60        | 6.50         |
|           | Tata Power Trading Co. Ltd.                  | Jindal India Thermal Power Ltd (JITPL)                                   | 25        | 6.66         |
|           | PTC India Limited                            | Dhariwal Infrastructure Ltd-Ists (DIL-ISTS)                              | 27        | 6.70         |
|           | PTC INDIA LIMITED                            | Dhariwal Infrastructure Ltd – STU  | 33        | 6.70         |
|           | Sembcorp Energy India Limited                | SEIL Energy India Ltd - Project 2  | 25        | 6.86         |
|           | Tata Power Trading Co. Ltd.                  | JPL Shirpur Power Plant  | 100       | 6.89         |
|           | Adani Enterprises Ltd                        | Mahan Energen Ltd  | 100       | 6.92         |
|           | NTPC Vidyut Vyapar Nigam Ltd                 | Jaypee Nigrie Super Thermal Power Plant                                  | 100       | 7.00         |
|           | PTC INDIA LIMITED                            | Nava Bharat Ventures Ltd, Odisha   | 25        | 7.00         |
|           | Manikaran Power Limited                      | Coastal Energen Private Ltd Tuticorin                                    | 300       | 8.50         |
|           | PTC India Limited                            | JSW Energy Ltd - Ratnagiri, Maharashtra                                  | 150       | 8.60         |
|           |  | Total  | 2090      | 6.91         |
| NIT-110   | NTPC Vidyut Vyapar Nigam Ltd                 | Jaypee Nigrie Super Thermal Power Plant                                  | 100       | 7.93         |
|           | NTPC Vidyut Vyapar Nigam Ltd                 | SKS Power Generation   | 50        | 7.93         |
|           | Sembcorp Energy India Limited                | SEIL Energy India Limited - Project 2 AP                                 | 25        | 7.93         |
|           | OPG Power Generation Pvt Ltd                 | OPG Power Generation Pvt Ltd   | 72        | 7.93         |
|           |  | Total  | 247       | 7.93         |
|           | 4 to 31.08.2024                              | T  |           |              |
| NIT-108   | OPG Power Generation P Ltd.                  | OPG Power Generation P Ltd   | 225       | 6.20         |
|           | Manikaran Power Ltd                          | BLA Power Private Ltd, MP  | 25<br>25  | 6.21         |
| 1         | MANIKARAN POWER LIMITED JINDAL POWER LIMITED | ACB India Ltd Korba, Chhattisgarh Jindal Power Ltd., Tamnar, Chhatisgarh | 25<br>200 | 6.21<br>6.21 |
|           | NTPC Vidyut Vyapar Nigam Ltd                 | SKS Power Generation Ltd, Chhattisgarh                                   | 50        | 6.21         |

| 1         | NTPC Vidyut Vyapar Nigam Ltd                            | Jaypee Bina Thermal Power Plant, MP                             | 50        | 6.21         |
|-----------|---|---|-----------|--------------|
|           | NTPC Vidyut Vyapar Nigam Ltd                            | IL&FS Tamilnadu Power Company Ltd                               | 275       | 6.21         |
|           | Jindal Power Limited                                    | Jindal Power Ltd (Simhapuri Unit)                               | 100       | 6.24         |
|           | Adani Enterprises Ltd                                   | Adani Power Ltd - Raipur TPP                                    | 150       | 6.39         |
|           | Tata Power Trading Co. Ltd.                             | Nava Bharat Energy India Ltd (NBEIL)                            | 60        | 6.50         |
|           | NTPC Vidyut Vyapar Nigam Ltd                            | Jaypee Nigrie Super Thermal Power Plant                         | 100       | 6.50         |
|           | PTC India Limited                                       | DHARIWAL Infrastructure Ltd-ISTS                                | 27        | 6.70         |
|           | PTC INDIA LIMITED                                       | DHARIWAL Infrastructure Ltd - STU                               | 33        | 6.70         |
|           | Tata Power Trading Co. Ltd.                             | JPL Shirpur Power Plant   | 100       | 6.90         |
|           | Adani Enterprises Ltd                                   | Mahan Energen Ltd   | 100       | 6.92         |
|           | Tata Power Trading Co. Ltd.                             | Nava Bharat Ventures Ltd-Odisha                                 | 45        | 7.00         |
|           | PTC INDIA LIMITED                                       | NAVA BHARAT VENTURES Ltd  | 25        | 7.00         |
|           | Sembcorp Energy India Limited                           | SEIL Energy India Ltd - Project 2                               | 25        | 7.38         |
|           | Manikaran Power Ltd                                     | Coastal Energen Private Ltd                                     | 300       | 8.50         |
|           |   | Total   | 1915      | 6.74         |
| NIT-110   | OPG Power Generation Pvt Ltd                            | OPG Power Generation Pvt Ltd                                    | 72        | 7.95         |
|           | Sembcorp Energy India Limited                           | SEIL Energy India Limited - Project 2 AP                        | 25        | 7.95         |
|           | NTPC Vidyut Vyapar Nigam Ltd                            | Jaypee Nigrie Super Thermal Power Plant                         | 100       | 7.95         |
|           | , , , ,   | Total   | 197       | 7.95         |
| 01.09.202 | 4 to 30.09.2024   |   |           |              |
| NIT-108   | OPG power generation pvt ltd                            | OPG power generation pvt ltd                                    | 225       | 6.44         |
|           | Tata Power Trading Co. Ltd.                             | Jindal India Thermal Power Ltd (JITPL)                          | 25        | 6.45         |
|           | Tata Power Trading Co. Ltd.                             | Nava Bharat Ventures Ltd-Odisha-IPP                             | 45        | 6.45         |
|           | Tata Power Trading Co. Ltd.                             | Nava Bharat Energy India Ltd (NBEIL)                            | 60        | 6.45         |
|           | Manikaran Power Limited                                 | BLA Power Private Ltd, MP                                       | 25        | 6.45         |
|           | JINDAL POWER LIMITED                                    | Jindal Power Ltd., Tamnar, Chhatisgarh                          | 200       | 6.45         |
|           | NTPC Vidyut Vyapar Nigam Ltd                            | Jaypee Bina Thermal Power Plant, MP                             | 50        | 6.45         |
|           | Jindal Power Limited                                    | Jindal Power Ltd (Simhapuri Unit)                               | 100       | 6.45         |
|           | NTPC Vidyut Vyapar Nigam Ltd                            | IL&FS Tamilnadu Power Company Ltd                               | 525       | 6.45         |
|           | NTPC Vidyut Vyapar Nigam Ltd                            | SKS Power Generation Ltd, Chhattisgarh                          | 50        | 6.45         |
|           | MANIKARAN POWER LIMITED                                 | ACB India Ltd Korba, Chhattisgarh                               | 25        | 6.47         |
|           | Tata Power Trading Co. Ltd.                             | JPL Shirpur Power Plant   | 100       | 6.90         |
|           | Adani Enterprises Ltd                                   | ADANI POWER LTD - RAIPUR TPP                                    | 150       | 6.92         |
|           | PTC India Limited                                       | DHARIWAL INFRASTRUCTURE ISTS                                    | 27        | 6.98         |
|           | PTC INDIA LIMITED                                       | DHARIWAL INFRASTRUCTURE - STU                                   | 33        | 6.98         |
|           | NTPC Vidyut Vyapar Nigam Ltd                            | Jaypee Nigrie Super Thermal Power Plant                         | 100       | 7.00         |
|           | Sembcorp Energy India Limited                           | SEIL Energy India Ltd - Project 2                               | 25        | 7.39         |
|           | Adani Enterprises Ltd                                   | Mahan Energen Ltd   | 100       | 7.45         |
|           | PTC INDIA LIMITED                                       | Nava Bharat Ventures Ltd (NBVL-CPP)                             | 25        | 7.50         |
| NUT 440   | NITTO VIII VIVI NII VIVI                                | Total   | 1890      | 6.64         |
| NIT-110   | NTPC Vidyut Vyapar Nigam Ltd                            | Jhabua Power Limited, Distt. Seoni, MP                          | 25        | 7.95         |
|           | OPG Power Generation Pvt Ltd                            | OPG Power Generation Pvt Ltd                                    | 72        | 7.95         |
|           | Sembcorp Energy India Limited                           | SEIL Energy India Limited - Project 2 AP                        | 25        | 7.95         |
|           | NTPC Vidyut Vyapar Nigam Ltd                            | Jaypee Nigrie Super Thermal Power, MP                           | 100       | 7.95         |
| 01.10.202 | 4 to 15.10.2024   | Total   | 222       | 7.95         |
| NIT-108   |   | ODC DOWED CENEDATION DVT LTD                                    | 225       | 6.74         |
| MII-100   | OPG Power Generation P Ltd. Tata Power Trading Co. Ltd. | OPG POWER GENERATION PVT LTD  Nava Bharat Ventures Ltd-Odisha   | 225<br>45 | 6.74<br>6.75 |
|           |   |   |           |              |
|           | Tata Power Trading Co. Ltd.  Manikaran Power Limited    | Nava Bharat Energy India Ltd (NBEIL)  BLA Power Private Ltd, MP | 60<br>25  | 6.75<br>6.75 |
|           |   |   |           |              |
|           | JINDAL POWER LIMITED                                    | Jindal Power Ltd., Tamnar, Chhatisgarh                          | 200       | 6.75         |
|           | NTPC Vidyut Vyapar Nigam Ltd                            | Jaypee Bina Thermal Power Plant, MP                             | 50        | 6.75         |
|           | Jindal Power Limited                                    | Jindal Power Ltd (Simhapuri Unit)                               | 150       | 6.75         |
|           |   | Total   | 755       | 6.75         |

2.7 That for the ease of reference, the month wise approved quantum and weighted average landed rate against both NITs is tabulated hereunder –

|                      | NIT-108                  |   | NIT-110                  |   | Total NIT-108 & 110      |  |
|----------------------|--------------------------|---|--------------------------|---|--------------------------|--|
| Period               | Total<br>Quantum<br>(MW) | Weighted<br>Average<br>Landed<br>Rate<br>(Rs./unit) | Total<br>Quantum<br>(MW) | Weighted<br>Average<br>Landed<br>Rate<br>(Rs./unit) | Total<br>Quantum<br>(MW) | Weighted<br>Average<br>Landed Rate<br>(Rs./unit) |
| 01-05-24 to 31-05-24 | 735                      | 8.38  | 72                       | 8.75  | 807                      | 8.42   |
| 01-06-24 to 30-06-24 | 1188                     | 7.29  | 247                      | 8.09  | 1435                     | 7.43   |

| 01-07-24 to 31-07-24   | 2090 | 6.91 | 247 | 7.93 | 2337 | 7.02 |
|--|------|------|-----|------|------|------|
| 01-08-24 to 31-08-24   | 1915 | 6.74 | 197 | 7.95 | 2112 | 6.85 |
| 01-09-24 to 30-09-24   | 1890 | 6.64 | 222 | 7.95 | 2112 | 6.77 |
| 01-10-24 to 15-10-24   | 755  | 6.75 | -   | -    | 755  | 6.75 |
| Weighted average<br>Rate during 01-05-24<br>to 15-10-24  |      | 6.99 |     | 8.04 |      | 7.10 |
| Weighted average<br>Landed Rate during<br>01-05-24 to 15-10-24<br>after considering 53<br>paisa (as on 08-02-<br>24) T-GNA charges |      | 7.52 |     | 8.57 |      | 7.63 |

2.8 That the BSES Delhi and KSEBL Kerala have also floated NITs for procurement of power for the summer season of FY 2024-25 through DEEP Portal. The results of E-RA downloaded from official website of DEEP Portal are as under:

| Name of<br>Utility | Month           | Quantity<br>Requisitioned | Quantum (MW) | Tariff range discovered (Rs./kWh) |
|--------------------|-----------------|---------------------------|--------------|-----------------------------------|
| BSES,              | April'24        | 200                       | 175          | 8.69-9.30                         |
| Delhi              | May'24          | 300-350                   | 175          | 8.69-9.30                         |
|                    | June'24         | 500                       | 500          | 7.26-9.30                         |
|                    | July'24 (1-15)  | 500                       | 500          | 6.12-6.13                         |
|                    | July'24 (16-31) | 350                       | 350          | 6.01-6.13                         |
|                    | Aug'24          | 300                       | 300          | 6.07-6.25                         |
|                    | Sept'24 (1-15)  | 350                       | 350          | 6.47-6.64                         |
|                    | Sept'24 (16-30) | 150                       | 150          | 6.47                              |
| KSEBL,             | Apr'24          | 400                       | 200          | 8.69                              |
| Kerala             | May'24          | 400                       | 175          | 8.69                              |

From the above table, it is evident that the cost of procurement of power in recently floated NITs of other states are comparable to the tariffs derived against NIT-108 and NIT-110. The foregoing results of short-term tender are indicative of the market prices and the reasonability in the consideration of HPPC for procurement of power for peak season.

- 2.9 That the Petitioner has suffered from a power deficit during the summer/paddy season of the year 2023. Despite purchase of power through two no. NITs, procurement of 300 MW from NEEPCO through NVVN, 150 MW thermal power from medium term tender and additional 172 MW unallocated power, the State of Haryana faced deficit of power and the balance power was arranged through power exchange(s).
- 2.10 That, the tariff of power procured through power exchange(s) is higher than the corresponding period of last year. The quantum procured by HPPC through Exchange during May 2023 to October 2023 and the price paid viz-a-viz May 2022 to Oct 2022 is tabulated hereunder for ready reference -

| Period | 2022                                     |                          |  | 2023                                     |                          |  |
|--------|--|--------------------------|--|--|--------------------------|--|
|        | Quantum at<br>Regional<br>Periphery (LU) | Total<br>Cost<br>(Lakhs) | Landed cost at<br>State Periphery<br>(Rs/ Kwh) | Quantum at<br>Regional<br>Periphery (LU) | Total<br>Cost<br>(Lakhs) | Landed cost at<br>State Periphery<br>(Rs/ Kwh) |
| May    | 5478.38                                  | 43433.84                 | 8.20   | 1332.11                                  | 10013.75                 | 7.80   |
| Jun    | 5109.66                                  | 36327.65                 | 7.35   | 843.49                                   | 5919.38                  | 7.25   |
| July   | 2006.17                                  | 12064.33                 | 6.22   | 273.84                                   | 1761.07                  | 6.66   |

| Aug  | 3330.85 | 20577.17 | 6.40 | 1481.82 | 12243.59 | 8.55 |
|------|---------|----------|------|---------|----------|------|
| Sept | 4078.20 | 28938.93 | 7.31 | 3338.69 | 24632.87 | 7.63 |
| Oct  | 274.60  | 1193.24  | 4.49 | 784.65  | 6361.17  | 8.38 |

- 2.11 That volatility in the rates in power exchanges have been witnessed for long. The tariff for peak hours is hovering around Rs 10/- per unit. Even after bidding at the maximum tariff of Rs. 10/- per unit in the exchange(s), the bided quantum is cleared partially.
- 2.12 That HPPC is 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) and J&K Baglihar Hydro power project, despite having long-term power purchase agreement with these Generators. The petitioner is projecting a power deficit of upto 3200 MW during the forthcoming summer months of FY 2024-25. The tables depicting the current Demand-Availability projections for FY 2024-25 based on the actual peak demand from FY 2011-12 to 2022-23 is as under:

|          | DEMAND & AVAILABILITY SCENARIO FOR FY 2024-25 AS ON 04.01.2024 |  |   |  |   |   |  |
|----------|--|--|---|--|---|---|--|
| Month    | Projecte<br>d Peak<br>Demand<br>(in MW)                        | Normative<br>Availability<br>as per PLF<br>(in MW) | Normative<br>Availability as per<br>PLF without CGPL<br>& FGPP<br>(in MW) | Banking<br>Arrangeme<br>nts<br>(in MW) | Tentative<br>Availability<br>including Banking<br>arrangements<br>(in MW) | Surplus<br>(+)/<br>Deficit (-<br>)<br>(in MW) |  |
| May'24   | 11172  | 10694  | 9945  | 0                                      | 9945  | -1227   |  |
| June'24  | 14287  | 11852  | 11103   | 0                                      | 11103   | -3184   |  |
| Jul'24   | 14262  | 11870  | 11121   | 100                                    | 11221   | -3041   |  |
| Aug'24   | 13811  | 11870  | 11121   | 100                                    | 11221   | -2590   |  |
| Sep'24   | 13548  | 11301  | 10552   | 98                                     | 10650   | -2898   |  |
| Oct' 24* | 10148  | 10419  | 9670  | 0                                      | 9670  | -479  |  |

2.13 That it is an accepted fact that the State of Haryana has been constantly progressing as a dynamic and progressive State. Two-third of the State falls in extended National Capital Region and its power demand is increasing on account of rapid industrialization and Mass Urbanization. Additionally, after considering the fact that the State of Haryana is an agrarian economy where various agricultural activities are carried out at large scale, the power demand of the State rises exponentially during the summer/paddy season due to power requirement of AP tubewell as well as air conditioning load. Considering the past trend of the maximum demand witnessed in the State, it is expected that the peak demand may cross 14000 MW in FY 2024-25. The brief details of year wise maximum demand are as under:-

| Year | Max. Demand (MW) |
|------|------------------|
| 2021 | 12120            |
| 2022 | 12687            |
| 2023 | 13055            |

2.14 That in light of the above, in case the petitioner buys deficit quantum through the power exchange(s) during the summer/ paddy season of the year 2024, 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. It is also worthwhile to highlight that for time slots where rates in power exchange are higher, there is difficulty in clearance of requisite bid quantum.
- 2.15 That Discoms are under a statutory obligation to supply 24x7 uninterrupted power supply 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. Accordingly, HPPC is making all the necessary steps and gear up it sources to ensure quality service and un-interrupted power supply in its licensed area.
- 2.16 That in view of the requirement of power from May 2024 to October 2024, the procurement of RTC power on short-term basis based on competitive bidding was found feasible and favorable by HPPC.
- 2.17 That the validity of bids submitted against NIT-108 is up till 11.03.2024 and against NIT-110, the same is up till 10.04.2024.
- 2.18 That the following prayers have been made: -
  - Adopt tariff discovered through competitive bidding as per details mentioned in Para 12 of the petition;
  - Allow the Petitioner-HPPC to issue a Letter of Award to selected bidders (as mentioned in Para 12) for purchase of RTC short term power from 01.05.2024 to 15.10.2024;
  - c. Grant approval for procurement of power up to 2337 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 11.03.2024 (NIT-108) and 10.04.2024 (NIT-110); and
  - 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**

The case was heard on 05.03.2024, in the court room of the Commission, wherein the
petitioner (HPPC) mainly reiterated the contents of its petition, which for the sake of
brevity are not being reproduced here.

# **Commission's Order**

4. The Commission heard the arguments of the petitioner at length as well as perused the written submissions placed on record by the petitioner. The Commission has considered the submissions of the petitioner herein that the bids are valid up to 11.03.2024 (NIT-108) and 10.04.2024 (NIT-110).

- 5. The Commission has taken note of the demand-supply position portrayed by HPPC. HPPC has submitted that there is a deficit in power supply during the months of May, 2024 to October, 2024 ranging from 479 MW (Oct., 2024) to 3184 MW (June, 2024), largely due to non-availability of power from a few large sources viz. Coastal Gujarat Power Ltd. (Mundra), Faridabad Gas Power Plant (FGPP, NTPC) and J&K Baglihar Hydro power project.
- 6. The Commission has considered the power deficit scenario projected by HPPC and submission of HPPC that power may not be available at all in the power exchanges during the period from May, 2024 to October, 2024, even at the ceiling tariff of Rs. 10/kWh. The Commission is conscious of the fact that with the demand may rise significantly during the months of May to October, due to power requirement of AP tube-well consumers as well as air conditioning load and the supply of power especially during the peak period is often inadequate. The supply side has been continuously constrained because of non-availability of power from certain sources as previously mentioned. Further, non-availability of certain intra-state thermal generators due to technical glitches/unforeseen circumstances, cannot be ruled out. Additionally, the short-term rates in the power exchanges are also expected to be exorbitant during the peak months as the power demand in the entire northern region increases during these months. Hence, the Commission, has considered the trade-off between the loss of production due to non-availability of grid power including harassment and inconvenience faced by the consumers and purchase of expensive short-term power. Since rates quoted by different bidders in a particular month are uniform with a few exceptions, the Commission has considered it appropriate to accord source approval as prayed for in the petition in the month of May, 2024 (807 MW), for the reasons that additional power requirements emerges and the long term hydro sources are yet to reach its maximum generation capacity. In the month of June, the power procurement is approved where the tariff is up to Rs. 7.75/kWh (938 MW). However, in the months of July to October, 2024, the power proposed to be procured is approved at a tariff up to Rs. 7/kwh. The power proposed to be procured at a tariff higher than Rs. 7/kWh is not approved, in view of the fact that the Discoms are already burdened with deferred 'Fuel and Power Purchase Adjustment Surcharge' amounting to Rs. 7672 crore as on 31.03.2023. The higher power purchase cost will increase this bucket of 'deferred Fuel and Power Purchase Adjustment Surcharge' to a level which will be difficult to realize from the consumers without giving them a tariff shock. The Discoms should endeavor to reduce the 'peak load' by taking appropriate demand side management measures. Further, the Commission has observed that Discoms have sold large quantum of power in the power exchange (s) at a price lower than the average purchase price.

However, in the interest of the consumers, considering the grim availability of power and adverse power market scenario in the coming period, the Commission approves power procurement at a tariff rate of up to Rs. 7/- Unit, in the months of July to October. Accordingly, in the months of July to October 2024, the Commission approves 1640 MW (July), 1590 MW (August), 1740 MW (September) and restrict the quantum of power during October month to 479 MW i.e. in line with the deficit projected by the petitioner.

7. The petitioner may assess the power demand and supply position on a continuous basis and make suitable arrangements for ensuring adequate availability of power during peak period.

In terms of the above order, the present petition is disposed of.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 05.03.2024.

Date: 05.03.2024 (Mukesh Garg) (Naresh Sardana) (Nand Lal Sharma)
Place: Panchkula Member Chairman