

**BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION AT
PANCHKULA**

HERC/Petition No. 35 of 2024

**Date of Hearing : 17.07.2024
Date of Order : 18.07.2024**

In the Matter of

Petition under Section 86(1) (b) and Section 63 of the Electricity Act, 2003 seeking approval of source, adoption of tariff and approval of draft PPA for the procurement of 527 MW RTC power at a tariff of Rs. 5.78/kWh at generator bus bar discovered through tariff based competitive bidding process on a medium-term basis for a period of five years starting w.e.f. 01.08.2024 floated through NIT No. 114/HPPC/MTT/2024 dated 15.03.2024.

Petitioner

Haryana Power Purchase Centre, Panchkula (HPPC)

Present on behalf of the Petitioner

Ms. Sonia Madan, Advocate

Quorum

**Shri Nand Lal Sharma
Shri Mukesh Garg**

**Chairman
Member**

INTERIM ORDER

1. The case was taken up for hearing on 17.07.2024, as scheduled, in the courtroom of the Commission.
2. Ms. Sonia Madan, the learned counsel appearing on behalf of the petitioner, prayed for adoption of tariff of Rs. 5.78/kWh, at generator bus bar, discovered through competitive bidding and approve the PPA for procuring 527 MW RTC power.
3. The Commission observes that in the past six months, HPPC has proposed power procurement from various sources on short term, medium term and long term. All such proposals have come randomly. Whereas, in an ideal situation, in the first instance long term sources of power procurement should have been tapped. Subsequently, medium term power procurement should have been planned and lastly the left-over deficit should have been planned through short term sources.
4. The Commission further observes that the power demand-supply position for the ongoing FY 2024-25, prepared by HPPC, is showing deficit of 2032 MW in the months of June, 2024. Whereas, as per daily power supply position provided by SLDC, there was no such deficit. Even on 19.06.2024, when the peak demand of 14469 MW was recorded, HPPC had to procure only net 44.18 Lac units from power exchange and

that too at the rate of Rs.6.60/- only. Therefore, the power deficit scenario prepared by HPPC is not convincing.

5. In this regard, HPPC is directed to provide the following information/documents, within one week from the date of issue of this order:-
 - a) A detailed analysis of demand-supply position planned and executed/managed for the FY 2023-24.
 - b) Average cost of medium-term power procured during the FY 2023-24.
 - c) Rates currently being discovered in other States for procuring medium term RTC power for next five years.
 - d) A detailed cost-benefit analysis of procuring the medium term RTC power vis-à-vis procurement of power on short term basis with firm tariff, through IEX, without any obligation of round the clock power for five year, as the PPAs proposed with the present generators (in this petition) are exposing HPPC to greater risk of Energy Charge Rate, as fuel cost has been made variable on account of use of alternative coal including blending of imported coal.
 - e) HPPC, mostly has gap of 3000 MW between maximum and minimum demand. Thus, HPPC is in deficit during certain time slots only. HPPC can adopt Demand-Side-Management (DSM) measures to flatten its demand curve e.g. by scheduling Agricultural Tubewell supply during minimum demand period. In case, still some shortfall is felt, the same can be covered up by buying power from Power Exchange (s) under Day-Ahead-Market (DAM)/Real-time-Market (RTM). HPPC need to examine this in detail and give its refined proposal.
 - f) Considering the above and based on the actual figures for the FY 2023-24 and FY 2024-25 (till date), a revised demand-supply position for five years may be provided along with detailed working for the same. HPPC may also give its revised proposal to meet the deficit (if any).
6. The case shall be next heard on 07.08.2024

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 18.07.2024.

Date: 18.07.2024
Place: Panchkula

(Mukesh Garg)
Member

(Nand Lal Sharma)
Chairman