

BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION AT PANCHKULA

Case No. HERC/Petition No. 13 of 2024

Date of Hearing : 29.04.2024
Date of Order : 29.04.2024

In the Matter of

Petition under Section 86(1)(b) of the Electricity Act, 2003 read with Haryana Electricity Regulatory Commission (Conduct of Business) Regulations, 2019 seeking approval of source and permission to schedule power for the procurement of 200 MW Hydro Power on Medium Term basis from Hydro Power Stations in Nepal for a period of five (05) years starting from year 1st July to 15th November each year at a tariff of Rs. 5.52/kwh at ISTS delivery point including trading margin of Rs. 0.04/Kwh along with approval of draft PPA.

Petitioner

Haryana Power Purchase Centre, Panchkula (HPPC)

Respondent

NTPC Vidyut Vyapar Nigam Ltd. (NVVN)

Present on behalf of the Petitioner

1. Ms. Sonia Madan, Advocate
2. Sh. Ajay Bansal, Xen, HPPC

Present on behalf of the Respondent

1. Shri Kundan Lal, Manager

Quorum

Shri Naresh Sardana
Shri Mukesh Garg

Member
Member

INTERIM ORDER

1. The case was taken up for hearing on 29.04.2024, as scheduled, in the courtroom of the Commission.
2. At the outset, Ms. Sonia Madan, the learned counsel for the petitioner produced an affidavit dated 25.04.2024, in pursuant to the directions of this Hon'ble Commission, in its interim order dated 09.04.2024. She pleaded that the delay has occurred on account of the revision of the proposal by the respondent, who have agreed to supply power from 15th June to 31st October each year for five years instead of the original proposal of 01st July to 15th November. The Commission has taken the same in its record. HPPC has been advised to complete its filings atleast three days before the date of hearing, so that the Commission is given some time to analyze the data for granting source approval. However, from plain reading, the Commission observes that HPPC has projected demand availability scenario for the FY 2024-25, on the basis of 'peak demand', showing deficit in all the months from April to October, 2024. However, five years demand availability scenario has been projected on the basis of 'mode of peak

demand', which shows deficit in the month of September 2024 alone and deficit in all the years from FY 2024-25 to FY 2029-30, in the months covered under the present petition.

3. The Commission has perused the daily generation data being submitted by SLDC, Haryana, which shows that Discoms have sold 3933 lac units in the month of April, 2024, till 28.04.2024, in the power exchanges at rates ranging from Rs. 2.94/Unit to Rs. 5.83/Unit, as against the power procurement cost of Rs. 5.79/unit (360 MW power approved for a period of five years vide order dated 25.10.23 in case no. 37 of 2023), thereby causing huge losses in the month of April, 2024 alone. Further, the impact of fixed cost on account of non-scheduling of power from M/s. CGPL with ECR of around Rs. 4.02/unit, in pursuant to the direction issued by the Ministry of Power under Section 11 of the Electricity Act, 2003, also needs to be reckoned with. The power procurement planning of HPPC, which should have considered all prevalent and forceable factors while projecting demand-supply position, including weather predicted by India Meteorological Department (IMD), needs to be improved. In this regard, the Commission further observes that IMD has predicted above normal monsoon rains in 2024 due to a favorable weather pattern called '*La Nina*', which is likely to meet the peak electricity demand of paddy season and has to be considered while projecting the demand-supply position of electricity in the State of Haryana during the July-September of the FY 2024-25 i.e. during paddy season.
4. In view of the above, HPPC is directed to take a re-look at their proposal of purchasing 200 MW cross-border power for five years from 1st July to 15th November each year at landed cost of Rs. 6.21/kWh (approx.), particularly for the FY 2024-25, taking into consideration of the fact that such a high cost power cannot be used for banking. HPPC may review its power demand and availability scenario after considering all the power approved by the Commission, impact of '*La Nina*' and justifying the sale in the power exchange at a significantly lower price, in the month of April, 2024. Further, there should be uniformity in the approach of the DISCOMs in projecting demand availability scenario and the historical peak demand based projection may not give the true picture as the peak demand might have touched only in some time blocks of the day. The additional affidavit addressing the above observations, may be filed, on or before 06.05.2024.
5. The case shall be next heard on 07.05.2024 at 11.30 A.M.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 29.04.2024.

Date: 29.04.2024
Place: Panchkula

(Mukesh Garg)
Member

(Naresh Sardana)
Member