

BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION

BAYS No. 33-36, SECTOR-4, PANCHKULA- 134112, HARYANA

Case No. HERC/PRO – 66 of 2017

DATE OF HEARING : 26.04.2019

DATE OF ORDER : 13.08.2019

IN THE MATTER OF:

Petition for approval of providing Single Point Connection to M/s Maruti Suzuki India Ltd. and its ancillary units situated at Plot No. 1 in Phase 3A, IMT Manesar, Haryana under HT Industrial Tariff category.

Petitioner Dakshin Haryana Bijli Vitran Nigam, Hisar

PRESENT

On behalf of the Petitioner: Shri Rajender Sabharwal SE/RA DHBVN

On behalf of Maruti Suzuki India Ltd.: Shri S.R.Rana (Sr. Adviser)
Shri Alok Bansal (Vice President)
Shri Kiran Thakur (AVP)
Shri G.B. Chadda (AVP)
Shri Ashwani Garg (DGM)
Shri Vishal (Sr. Manager)

QUORUM

Shri Pravindra Singh, Member

Shri Naresh Sardana, Member

ORDER

Brief background of the Case:

1.1. The Petitioner has submitted that:

- a) Maruti Suzuki India Limited (hereinafter referred to as MSIL), is engaged in the business of manufacture and sale of passenger vehicles in India under the brand name "Maruti- Suzuki" having a manufacturing facility at Plot No. 1 in Phase 3A, IMT Manesar, Haryana. MSIL is a HT consumer of the petitioner, bearing account no. G-31-INHT-008 and having a contract demand of 2 MVA. The supply and delivery of electricity to the premises of MSIL at JMT Manesar,

at present is being given through 11 kV system of the petitioner. There are various entities within the premises of MSIL, i.e., Plot No.1 in Phase 3A, JMT Manesar, Haryana, which are joint venture companies and primarily engaged in manufacture of components and parts for consumption of MSIL itself. At present, these entities are receiving supply from the petitioner through the 11 KV distribution system. The details of these joint venture companies as existing consumers of the petitioner are as follows:

Sr. No.	Name of ancillary unit	A/C No.	Connected Load in kW	Contract Demand in kVA
1	Bharat Seats Ltd.	G-31-SP-0402	450	500
2	Magneti Marelli Power Train Ltd.	G31-SPHT-0421	1000	1000
3	Inergy Automotive System Manufacturing (I)Pvt. Ltd.	G31-INHT-0028	1800	1800
4	Krishna Maruti Ltd	G31-INHT-0013	2700	3000
5	Manesar Steel Processing	No DHBVN power connection		
6	SKH-MM	G-31-SPHT-0452	600	225
7	SKH Metal Ltd.	G-31-INHT-0031	3000	3000
8	Jai Bharat Maruti Ltd.	G31-HT-0018	1499.10	1666
9	Belsonica Auto Component India Ltd.	No DHBVN power connection		
10	FMI Automotive Component Pvt. Ltd.	G31-INHT-0033	1350	1500

- b) MSIL has established a captive power plant at its premises at IMT, Manesar for its captive use. In addition, MSIL has developed electrical network for making available electricity to the above named joint venture companies. These companies, at present, are procuring power from the captive power plant of MSIL for their essential load. MSIL has been paying Cross Subsidy Surcharge with respect to its captive plant.
- c) Now MSIL has sought a single point connection under HT Industrial category for themselves and other entities within their premises with total connected load of 68 MW and CD 75.50 MVA at 220 KV voltage level.
- d) As per HERC Supply Code Regulation, 2014 along with 1st amendment dated 17th November, 2014, the supply for contracted demand above 75 MVA is to be given on 220 KV level. Accordingly, MSIL has proposed to create a 220 kV

Sub-Station at their premises alongwith erection of connecting 220 KV Double Circuit (D/C) line through underground cable, at their cost from - proposed 220 KV HVPNL Substation Transport Hub, Sector-B. IMT Manesar. The metering of such supply will be at the transport-hub substation of HVPNL from where the connectivity shall be given to MSIL for the sub- station at their premises at IMT Manesar.

- e) Upon the establishment of 220 KV sub-station within the premises of MSIL and the connectivity with HVPNL system, the petitioner will be in a position to supply the electricity to MSIL and other entities within the premises of MSIL (already connected to the electrical system maintained by MSIL) on single point at 220 KV level, instead of the individual supply to each of the entities through the 11 KV distribution system of the petitioner. The petitioner shall be benefitted in the form of increased revenue by providing uninterrupted power supply to MSIL and other entities mentioned hereinabove through 220 KV system with much lower technical losses. The proposed arrangement will also beneficial in avoiding overloading of its existing 11 KV system as well as utilisation of the existing 11 KV system so spared to the meet with the requirement of other prospective consumers seeking new electric connections from the petitioner. Further, it will be beneficial for MSIL and other entities availing reliable power supply by way of this arrangement to decrease their production cost with less dependence on the generation from their captive power plant.
- f) Further, MSIL shall make payment towards Cross Subsidy Surcharge for supply of power through its captive generation to its ancillary units as per prevailing Regulation.
- g) The above scheme would avoid the requirement of the petitioner of maintaining the 11 KV system to each of the premises of the various entities, besides other advantages detailed herein above.
- h) They shall benefit from the above scheme in the following manner:
 - a. Single point metering for 11 entities, i.e., MSIL and 10 Joint Venture Companies

- b. The internal system at the premises of MSIL for delivering electricity to its Joint Ventures Companies, including transformer and wiring, shall be maintained by MSIL at its own costs and as such no additional costs to be incurred by the petitioner.
 - c. Since the 10 Joint Venture Companies shall be shifting from existing 11 KV distribution system of the petitioner, the said power capacity can be utilized for other entities in the area.
 - d. MSIL shall have the connected load of 68 MW with contracted demand of 75.50 MVA of electricity from the petitioner
- i) The petitioner states that the arrangement mentioned herein above is beneficial to the petitioner. Similar arrangement has been implemented for the supply of electricity by Chhattisgarh Power Distribution Company Limited (CPDCL) to PRAXAIR through Bhilai Steel Plant of SAIL vide Chhattisgarh State Electricity Regulatory Commission (CSERC) order Dated 22nd February, 2017. The petitioner is filing this application for the approval of the above scheme; as such a scheme is being implemented for the first time in the state of Haryana.
- j) The Petitioner has requested to approve the proposed scheme mentioned herein above for the supply of electricity to various entities within the premises of Maruti Suzuki India limited at IMT Manesar through single point connection under HT Industrial Category at 220 KV Level

Proceedings

- 2.1. The matter was first heard on 4/10/2017. Sh. Anish, XEN /RA on behalf of the petitioner reiterated the contents of the petition. Referring to the benefit of scheme, he requested the Commission to approve the proposal for providing Single Point Connection to M/s Maruti Suzuki India Ltd. (MSIL) and its ancillary units under HT Industrial Tariff category. On query, he admitted that no such provision is available in the Electricity Act as well as in the HERC Regulations.
- 2.2. The Ld counsel Shri M.G. Ramachandran for M/s Maruti Suzuki India Ltd (MSIL) submitted that they would require a single point connection of 68 MW connected load with CD 75.50 MW at 220 kV level for which 220 kV substation would be created by MSIL at their own cost. The metering will be done at HVPNL substation.

Under this arrangement, besides self-consumption, MSIL shall provide the electricity to other entities within their premises. MSIL shall make payment towards Cross Subsidy Surcharge for supply of power through its captive generation to its ancillary units as per prevailing Regulations. This arrangement will also be beneficial in avoiding overloading of its existing 11 kV system and the existing 11 kV system so spared may be utilized to meet the requirement of other consumers seeking new electric connections from the DHBVN. On query, he stated that similar scheme has already been approved by the Chhattisgarh State Electricity Regulatory Commission and Maharashtra Electricity Regulatory Commission.

- 2.3. Giving the reference of Section 14 of Electricity Act 2003, Ld. Counsel for MSIL submitted that DHBVN may undertake the distribution of electricity for a specific area through another person without requiring any separate distribution licensee from the State Commission. However, being a pilot project, DHBVN is seeking prior approval of Hon'ble Commission. Upon hearing the parties, the Commission observed that no such provision is available in the HERC Regulations. The petitioner may explore the possibilities to address the issue through franchise model. The Commissions directed DHBVN to submit a comprehensive proposal in this regard within 1 months for consideration of the Commission.
- 2.4. The next hearing in the matter was held on 4/10/2018. Smt. Rekha, XEN/RA, DHBVN appeared for the Petitioner. She reiterated the contents of the Petition and subsequent submissions in the matter. It has been further submitted that in compliance of the Commission's interim Order dated 10.10.2017, the detailed guidelines for appointment of franchisee along with the consent of joint venture units for supply through MSIL, has already been submitted for the consideration of the Commission.
- 2.5. Ld. Advocate Shri Pulkit Agarwal appeared for MSIL had no objection to the franchisee model proposed by the Petitioner. On a query from the Commission, he submitted that Section 14 of the Electricity Act, 2003 provides for appointment of franchisee by the licensee for a specific area in its area of supply through another person. On further query regarding adoption of similar model i.e., granting franchisee to an industrial cluster via MOU route by any other licensee in India, the Petitioner sought time to submit reply in the matter.

- 2.6. On hearing the parties, the Commission observed that the franchisee model for cluster of industrial units would be beneficial for both i.e. the licensee as well as the consumers of the area. However, a comprehensive rules/guideline clearly elaborating the scope of work, job and responsibilities, open access by the franchisee, liability for building infrastructure, manpower requirement and statutory liabilities thereupon, penalties and termination of agreement etc. considering all the legal aspects has to be framed before finalizing such proposal. Mandatory provision of providing smart meters and automation of the existing system, establishment of solar plants in the area etc. shall also be incorporated in the comprehensive rules/guidelines.
- 2.7. The Commission directed the licensee to submit comprehensive proposal in view of the observations of the Commission in the present case.
- 2.8. Accordingly, DHBVN vide its Memo No. Ch-23/SE/C/SOL-363 dated 12/02/2019 had submitted guidelines for Single Point Supply to Industrial Estates situated within the State of Haryana.
- 2.9. The last hearing in the matter was held on 26/04/2019. The representatives from MSIL delivered presentation on their proposal for Single Point Supply.

Commission's Analysis and Order

- 3.1. The Commission has carefully examined the submissions made by the Petitioner and M/s Maruti Suzuki India Ltd. (MSIL) in the present matter. The Commission observed in its Interim Order dated 10/10/2017 the petitioner was informed to explore the possibilities to address the issue through franchise model and was directed to submit a comprehensive proposal in this regard. Accordingly, the Petitioner submitted the guidelines for Single Point Supply to Industrial Estates situated within the State of Haryana.
- 3.2. The *Haryana Electricity Regulatory Commission (Single Point Supply to Employers' Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers) Regulations, 2013* deals with the supply of electricity at a Single Point limited only to the Residential Colonies or Office cum Residential

Complexes of Employers, the GHSs and Residential or Residential cum Commercial Complexes of Developers for further supply of electricity to the members/employees and other services/establishments inside their premises by the GHS/Employer/Developer.

- 3.3. MSIL has sought approval for Single Point connection at 220 KV voltage level for themselves and for supply of power at 11 KV for other entities (10 Joint Venture Companies) within their premises having total connected load of 68 MW and Contract Demand of 75.50 MVA at 220 kV voltage level. The commission observes that the request of the Petitioner is not tenable as the same is not in line with the provisions of the existing Regulations i.e., “*Haryana Electricity Regulatory Commission (Single Point Supply to Employers’ Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers) Regulations, 2013.*”
- 3.4. The Commission further observes that the amendment of *Haryana Electricity Regulatory Commission (Single Point Supply to Employers’ Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers) Regulations, 2013* is under consideration before the Commission and the process to finalize the same has already initiated. The Commission is of the view that the proposal in the present case cannot be considered at this stage till the amendment in existing Single Point Regulations, 2013 is finalized. Further, it would not be appropriate on the part of the Commission to allow this Petition, since, the similar requests in the past have not been considered by the Commission due to lack of such provisions in the existing Single Point Regulations, 2013.
- 3.5. In view of above, the present Petition is adjourned sine die.

This Order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 13/08/2019.

Date: 13.08.2019

(Naresh Sardana)

(Pravindra Singh)

Place: Panchkula

Member

Member