

BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION AT PANCHKULA

Case No. HERC/Petition No. 25 of 2022

Date of Hearing : **14.06.2022**
Date of Order : **14.06.2022**

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 on an immediate basis for the procurement of up to 300 MW power on short term basis from Kameng Hydro Power Station located at Kimi, West Kameng District, Arunachal Pradesh through NTPC Vidyut Vyapar Nigam Limited (NVVN) at a tariff of Rs. 5.45/kWh applicable at generator ex-bus including a trading margin for a period of 9 months up till March, 2023.

Petitioner

Haryana Power Purchase Centre, Panchkula (HPPC)

Present:

1. M/s Sonia Madan, Advocate, HPPC
2. Mr. Randeep Singh, C.E., HPPC
3. Mr. Prasanta Kanjilal, NTPC Vidyut Vyapar Nigam Limited (NVVN)

Quorum

Shri R.K. Pachnanda
Shri Naresh Sardana

Chairman
Member

ORDER

Facts of the case

1. The Haryana Power Purchase Centre (hereinafter referred to as "**HPPC/ Petitioner**") on behalf of distribution licensees (for brevity '**Discoms**') of Haryana, i.e. Dakshin Haryana Bijli Vitran Nigam Limited (for brevity '**DHBVNL**') and Uttar Haryana Bijli Vitran Nigam Limited (for brevity '**UHBVNL**'), has filed the present petition for approval of source and permission to schedule power on an immediate basis for the procurement of up to 300 MW power on short term basis from Kameng Hydro Power Station located at Kimi, West Kameng District, Arunachal Pradesh through NTPC Vidyut Vyapar Nigam

Limited (NVTN) at a tariff of Rs. 5.45/kWh applicable at generator ex-bus including a trading margin for a period of 9 months up till March, 2023.

2. It has been submitted that Kameng Hydro Power Station, owned and operated by North Eastern Electric Power Corporation Ltd. (NEEPCO) is a run-of-the-river scheme project to harness the hydropower of Bichom and Tenga Rivers (both tributaries of the River Kameng) with the Power House located at Kimi, West Kameng District, Arunachal Pradesh. The Power Station has two Dam, one at Bichom and the other at Tenga. The installed capacity of the Station is 600 MW (150MWx4) with a catchment area of 2277 Sq. Km (Bichom) and 1019 Sq. Km (Tenga) and design head of 504 m. The Plant has a pondage of 8 hours thereby assuring the smooth supply of power even during the lean season. The Commercial Operation Date of the Kameng HEP was 12.02.2021.
3. That NTPC Vidyut Vyapar Nigam Ltd. (NVTN) is a wholly-owned subsidiary of National Trading Power Corporation Ltd. (NTPC) holding a Category 'I' power trading license as per the Central Electricity Regulatory Commission (Procedure, Terms, and Conditions for grant of trading license and other related matters) Regulations.
4. That the State of Haryana is experiencing a critical power deficit this year. The power deficit in the months of April and May 2022 was to the tune of 2570 MW and 1786 MW quantum energy respectively. Thermal plants across the country are grappling with a coal shortage as the power demand in the states has increased, and there is difficulty bridging the gap between demand and supply because of insufficient coal stocks at the thermal plants. The power supply from long-term sources of power is gravely affected due to coal shortage. Resultantly, petitioner had to enforce power cuts across the State on all the consumer categories to meet the deficit. The power cuts ranging from 4 to 8 hrs daily are being imposed on varied categories of the consumers.
5. That in order to meet the said deficit, HPPC had to resort to procuring power from the exchange at exorbitant costs. The details of power purchased through Exchange since the last 15 days are tabulated hereunder for ready reference of the Hon'ble Commission.

Date	Quantum purchased in LU	
	DAM	RTM
26-05-22	72.750125	16.985325
27-05-22	15.774500	21.766125
28-05-22	16.799325	10.442425
29-05-22	0.000000	11.892375
30-05-22	21.088975	13.766075
31-05-22	63.930950	5.322375
01-06-22	44.662150	7.260075
02-06-22	69.983350	48.642825
03-06-22	157.858825	19.353875
04-06-22	243.305300	12.133250
05-06-22	45.476875	13.268775
06-06-22	128.412000	32.757575
07-06-22	203.474150	3.125000
08-06-22	213.978625	14.387700
09-06-22	201.004275	40.47730
10-06-22	280.644650	

6. That NVVN had made an offer for sale of up to 300 MW Hydro Power on a short-term basis for a period of 9 months starting immediately on the issuance of Letter of Intent (Lol) as under: -
- a. On 23.05.2022, NVVN offered to supply 300 MW Hydro power from NEEPCO, KAMENG to HPPC, Haryana at the tariff of Rs. 5.45/kWh applicable at generator ex-bus including NVVN's trading margin. The Steering Committee of the Power Planning (SCPP) in the meeting held on 09.06.2022 accorded approval to the same subject to the approval of this Hon'ble Commission.
7. That the Petitioner is projecting a power deficit of about 3000 MW during the ongoing summer months and in winters as well, considerable deficit is being expected from the current power availability scenario. A table depicting the current Demand-Availability projections has been provided as annexure to this petition.

8. That the plant i.e. Kameng HEP of M/s NEEPCO has a pondage of 8 hours and hence the power from the plant can be scheduled during peak hours as per the requirement of the state of Haryana during the lean season.
9. That the constraints in the operation of thermal power plants located in the State of Haryana owing to shortage of coal are also well known to the Hon'ble Commission. For the ease of reference, the coal availability status of the thermal power plants is depicted hereunder –

Coal status as on 10.06.2022					
Sr. No	Name of Plant with capacity (MW)	Units Available	Coal Stock (MT)	Daily Coal Requirement (MT)	Coal available for days
1	PTPS, Panipat (1x210+2x250=710)	3	64,000	10,000	6
2	DCRTPP, YNR (2X300=600)	2	39,000	9,000	4
3	RGTPP, Hisar (2X600=1200)	1	1,58,000	18,000	9
4	JPL, Jhajjar (2X660=1320)	2	30,000	19,000	2
5	Aravali, NTPC, Jhajjar (3X500=1500)	3	2,79,000	23,400	12

10. Considering the foregoing, the short-term power procurement from Kameng HEP will help the petitioner to combat the ongoing deficit at a feasible tariff based on the evaluation of the cost of power available in the exchange currently.
11. That the petitioner-HPPC is making constant efforts to arrange a reliable and feasible power supply. Considering the position of power deficit in the State, growing requirement of power, and the unreliability of procurement of thermal power under Long term PPA, HPPC considers that the sourcing of short-term Hydropower through NVVN will be in the overall interest of all concerned including the consumers of Discoms

12. In view of the ibid submissions, and in larger public interest, the petitioner has prayed as under: -

- a. **grant source approval for procurement of up to 300 MW on a Short-term basis from Kameng Hydro Power station located at Kimi, West Kameng District, Arunachal Pradesh owned by North Eastern Electric Power Corporation Ltd. (NEEPCO) through NTPC Vidyut Vyapar Nigam Limited (NVVN) at a tariff of Rs. 5.45/kWh applicable at generator ex-bus including a trading margin for a period of 9 months up till March, 2023.**
- b. **grant approval to immediately schedule power from NEEPCO Kameng HEP; and**
- c. **pass any other order(s) and or direction(s), which the Hon'ble Commission may deem fit and proper in the facts and circumstances of the case.**

13. **Commission's order:**

The Commission has perused the petition filed by HPPC as well as NVVN's offer dated 23rd May, 2022. The Commission heard the matter, through virtual mode, as scheduled.

The learned counsel, appearing for the petitioner, reiterated the contents of the petition, hence, for the sake of brevity, the same are not being reproduced here. Additionally, she submitted that during summer months the hydro power shall be used on RTC (Round the Clock) basis, while, during the winter months it shall be used as a peaking station.

The Commission has taken note of the fact that due to non-availability of power from the sources such as APL, CGPL, FGPP etc. as well as critical coal stock position at HPGCL's power plants at Panipat, Yamuna Nagar, Hisar as well as Jhajjar Power Plant (CLP) and Aravali (NTPC), Haryana has been facing deficits in power availability thereby leading to prolonged hours of power cuts across all the consumer categories. Resultantly, in the months of April and May the power deficit have ranged between 1786 MW to 2570 MW. Further, as the peak demand months are underway, the deficit is expected to touch about 3000 MW. Further, given the continuing constraints on coal

supply front including import of coal involving logistic and technical issues of blending, the supply of power from coal based thermal generating stations with which Haryana has long term Power Purchase Agreement(s), may also become un-reliable.

Thus, given the high average market clearing price in the term ahead/ day ahead market and low liquidity, depending on the power exchange(s) to bridge the deficit and augment power supply in Haryana would not only be expensive but also uncertain due to low trading volumes.

Analyzing the present offer on the anvil of the current demand and supply scenario as well as the trade off between sourcing power from the power exchange(s) and the instant Hydro Power, for nine months; the Commission, is of the considered view that the eight hours of available pondage would add a lot of flexibility for the HPPC / Discoms to manage its intra-day demand fluctuations. Further, the hydro power would also have the spin off RPO / HPO benefits.

In view of the above discussions and in the interest of the electricity consumers of Haryana, the present prayer, as appearing at para 12(a) and 12(b), are allowed. However, the scheduling of power shall be subject to the merit order dispatch.

The present petition is disposed of in terms of the above order.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 14.06.2022.

Date: 14.06.2022
Place: Panchkula

(Naresh Sardana)
Member

(R.K. Pachnanda)
Chairman