

BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION AT PANCHKULA

Case No. HERC/Petition No. 47 of 2024

Date of Hearing : 03.12.2024  
Date of Order : 09.12.2024

In the Matter of

Petition under Section 86(1)(b) and of the Electricity Act, 2003 read with Haryana Electricity Regulatory Commission (Conduct of Business) Regulations, 2019 seeking approval of source and draft PPA for the procurement of 300 MW from Raghunathpur Thermal Power Station, 300 MW from Koderma Thermal Power Station and 200 MW from Durgapur Thermal Power Station, i.e. the power plants of Damodar Valley Corporation (DVC), a joint venture of Government of India, Jharkhand and West Bengal.

**Petitioner**

Haryana Power Purchase Centre, Panchkula (HPPC)

**Respondent**

Damodar Valley Corporation (DVC)

**Present on behalf of the Petitioner**

1. Ms. Sonia Madan, Advocate
2. Ms. Seema Sidana, Xen, HPPC

**Present on behalf of the Respondent**

1. Shri Pravin K. Singh, DGM
2. Shri Vikramjit Singh, Manager

**Quorum**

Shri Nand Lal Sharma  
Shri Mukesh Garg

Chairman  
Member

**ORDER**

**Brief Background of the case**

1. The present petition has been filed by Haryana Power Purchase Centre (HPPC), seeking the approval of source and draft PPA for the procurement of 300 MW from Raghunathpur Thermal Power Station, 300 MW from Koderma Thermal Power Station and 200 MW from Durgapur Thermal Power Station, i.e. the power plants of Damodar Valley Corporation (DVC), a joint venture of Government of India, Jharkhand and West Bengal.

**2. Petitioner's submissions:-**

HPPC has submitted as under:-

2.1 That Damodar Valley Corporation (DVC) has proposed to set up and operate thermal power stations named as (i) Raghunathpur Thermal Power Station, Phase-II (2x660MW) at Purulia District of West Bengal State; (ii) Koderma Thermal Power Station, Phase-II (2x800MW) at Koderma District of Jharkhand; and (iii) Durgapur Thermal Power Station (1x800MW) at Paschim Bardhaman District of West Bengal (hereinafter referred as "Projects/Stations").

2.2 That the petitioner received email dated 31.01.2023, vide which DVC sought consent of HPPC for availing power from the aforementioned projects. The proposal/request of DVC was considered by the Petitioner in 68th SCPP meeting held on 14.03.2023, wherein it was decided that consent may be given to procure power from the thermal power plants of DVC. Accordingly, vide letter dated 09.05.2023, the Steering Committee for Power Purchase of HPPC communicated their consent to DVC for procurement of 800 MW RTC power from the aforesaid projects, subject to the approval of this Hon'ble Commission, in the following manner:

Name of Generator	Name of Plant	Offered Capacity in MW	Tentative date of CoD	Capacity approved for consent (in MW)
Damodar Valley Corporation (DVC), (A joint venture of GOI, Jharkhand & West Bengal)	Raghunathpur TPS PH-II	1320	FY 2028-29	300
	Koderma TPP	1600	FY 2028-29	300
	Durgapur TPP	800	FY 2028-29	200

2.3 That the Ministry of Power, Government of India, vide letter dated 26.06.2023 accorded its approval and allocated 300MW power from Raghunathpur Thermal Power Station, Phase-II (2x660MW) and 300MW power from Koderma Thermal Power Station, Phase-II (2x800MW) and 200MW power from Durgapur Thermal Power Station (1x800MW) owned by DVC to Haryana, subject to the Power Purchase Agreements (PPA) entered by DVC with the State Power Utilities and also subject to the beneficiaries ensuring compliance with the financial and commercial terms (including coverage for LC) of the PPA signed with DVC, the tariff notification, any tripartite/bi-partite agreement signed with DVC and any other directive/guidelines issued by the GoI/CERC from to time.

2.4 That after considering availability of power from all tied up sources and including all arrangements available with HPPC till date, HPPC is still expecting deficit in the upcoming years to cater peak demand of the State. Furthermore, the load is expected to increased manifold. Considering all tied up sources as of now, the contracted capacity for the State of Haryana is 14867.92 MW and the source-wise detail is tabulated below:

Sr No	Source	Capacity in MW	%age of Total Capacity
1	Thermal-Coal (MW)	8892.78	59.8%
2	Hydro (Large) (MW)	3060.47	20.6%
3	Nuclear (MW)	100.93	0.7%
4	Gas (MW)	569.1	3.8%
5.a	Solar	1201.92	8.1%
5.b	Wind	801.95	5.4%
5.c	Sugarmill	95.2	0.6%
5.d	Biomass	72.37	0.5%
5.e	Small Hydro	73.2	0.5%
5	RES (MW)	2244.64	15.1%
	Total	14867.92	100.0%

2.5 That the detail of year wise capacity addition upto FY 2030-31, considering those projects whose PPAs bear the approval of this Hon'ble Commission is tabulated hereunder for ready reference:

		2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31

Sr. No.	Sources of installed capacity	Existing	Expected	Expected	Expected	Expected	Expected	Expected	Expected
1	State Owned Project (HPGCL)	2582.4	0	0	0	0	800	0	0
2	Shared Projects-BBMB	846.14	0	0	0	0	0	0	0
3	Central Sector Share	3221.09	235.39	0	61.4	350	700	350	0
4	Independent Power Producers	8218.29	0	0	0	0	0	0	0
5	Renewable Energy Sources		1705.6	240	0	0	0	0	0
<b>Total</b>		<b>14867.92</b>	<b>1940.99</b>	<b>240</b>	<b>61.4</b>	<b>350</b>	<b>1500</b>	<b>350</b>	<b>0</b>
			<b>16808.91</b>	<b>17048.91</b>	<b>17110.31</b>	<b>17460.31</b>	<b>18960.31</b>	<b>19310.31</b>	<b>19310.31</b>

2.6 That considering the above-mentioned additions in the existing long-term capacities for the State of Haryana, without considering any possible retirement of the long-term power projects on completion of their life, a demand-supply projection for the State evinces a deficit of 500 MW to 6000 MW for the period from FY 2027-28 to FY 2037-38, which is depicted as under:-

Year	Demand - Availability Scenario considering all sources	
	Yearly Average Deficit (in MW)	Average of Deficit (in MW)
2027-28	-472	-1727
2028-29	-625	-2285
2029-30	-860	-2513
2030-31	-1386	-3149
2031-32	-2069	-3544
2032-33	-2685	-3798
2033-34	-3328	-4083
2034-35	-3999	-4388
2035-36	-4699	-4699
2036-37	-5429	-5429
2037-38	-6098	-6098

2.7 That the current status of the projects, as intimated by the Respondent vide an email dated 23.05.2024 is as under -

**RTPS Phase-II (2x800 MW):**

Brownfield Project (expansion of 2x660 MW Plant) - Land & Power evacuation system available; Water allocation done; Environment Clearance & Aviation Clearance for Chimney obtained; Standing Coal linkage Committee recommended for coal linkage from CIL; STG Package awarded; Balance Package under tendering; Expected commissioning in FY 2028-29.

**KTPS Phase-II (2x660 MW):**

Brownfield Project (expansion of 2x800 MW Plant) - Land & power evacuation system available; Water allocation obtained; Environment Clearance & Aviation Clearance for Chimney expected in July'2024; CEA & SLC(IT) recommended for coal linkage under SHAKTI Policy; Tender under finalisation for award of EPC contract; Expected commissioning in FY 2028-29.

**DTPS (1x800 MW):**

Brownfield Project (in place of existing units) - Land available; Water allocation obtained; Consultant engaged for obtaining Environment Clearance; Process initiated for Aviation

Clearance for Chimney; CEA recommended for coal linkage under SHAKTI Policy; Tender under preparation for award of EPC contract; Expected commissioning in FY 2028-29 (Unit - 1).

2.8 That the salient conditions of the PPA are reproduced hereunder for ready reference –

### **3.0 TRANSMISSION/WHEELING OF ELECTRICITY**

3.1 *Sale of electricity shall be at the Delivery Point and it shall be the obligation and responsibility of Haryana to make the required arrangement for evacuation of electricity from Delivery Point.*

3.2 *For timely and expeditious development of the required transmission system for evacuation of power from the said project, Haryana shall make an application for connectivity and Long-Term Access/GNA to the CTU/Power Grid. Haryana also agrees to subsequently take all efforts to sign all necessary agreements, including Bulk Power Transmission Agreement (BPTA) / Transmission Service Agreement (TSA)/General Network access (GNA) with Power Grid/Other ISTS transmission licensees developing the identified transmission system, corresponding to its share of allocated capacity from the project/Station. DVC will provide all assistance and act as a facilitator in obtaining the Long-Term Access/GNA.*

3.3 *Charges for utilization of transmission system(s) owned by the Power Grid/other ISTS Transmission Licensee for wheeling of the electricity beyond Delivery Point shall be paid directly by Haryana to the Power Grid or the ISTS Transmission Licensee as the case may be. DVC shall not be responsible for payment of such charges.*

3.4 *Any liability including payment of outstanding dues pertaining to long term access/GNA in case of termination of PPA has to borne by Haryana.*

### **4.0 SCHEDULING, METERING AND ENERGY ACCOUNTING**

#### **4.1 SCHEDULING**

*It is understood and agreed by and between the parties that DVC shall operate the Station as a base load station as per the manufacturers' guidelines, applicable grid operating standards, directions of the CERC and relevant statutory provisions, as applicable from time to time. Methodology of generation scheduling shall be as per IEGC and the decisions taken at ERPC forums from time to time.*

*All charges/fees related to scheduling and dispatch of electricity beyond Delivery Point shall be borne by Haryana.*

*DVC shall make declaration of the capacity at the Delivery Point of the Station after taking into account the capability of the Station to deliver Ex- bus which shall be considered while calculating the Declared Capacity (DC).*

#### **4.2 DECLARED CAPACITY**

*Declared Capacity or 'DC' as per CERC (Terms and Conditions of Tariff) Regulations' 2019 means the capability of the Station to deliver Ex-Bus electricity in MW declared by the Station in relation to any time block of the day or whole of the day, duly taking into account the availability of fuels or water. This is subject to further qualification in the relevant CERC Regulations and /as per the procedure laid down in IEGC applicable from time to time.*

*Notwithstanding the following, Station shall be deemed as available to the extent of DC declared by the Station for anytime period:*

a. *Failure on account of Haryana to transmit and wheel electricity from the Delivery Point of the Station.*

b. *Any other reason not attributable to DVC restricting scheduling and dispatch of capacity at the Delivery Point of the Station.*

*Haryana shall have the right to schedule this DC in proportion to its allocation from the Station.*

### **4.3 METERING**

- 4.3.1 *A set of Main, Standby/Check Meters of 0.2S accuracy class, as per CEA (Installation & operation of meters) Regulations 2006/IEGC as applicable from time to time, shall be installed by CTU on all outgoing feeders of the Station. DVC shall coordinate with CTU/STU for installation of meters on outgoing feeders of the Station. Haryana /Procurer shall make all necessary arrangements for installation of meters of required accuracy and specifications, at all its drawl points.*
- 4.3.2 *The Main, Standby/Check Meters shall be checked jointly at the time of installation as per CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time.*
- 4.3.3 *Data shall be downloaded from the meters at regular intervals as decided by ERPC/ERLDC for preparation of the REA/UI Account. However, Energy accounting will be done by SLDC, DVC/ERLDC/ERPC or any other competent authority.*
- 4.3.4 *Regular cross checking and analysis of meter readings and meter failure or discrepancies shall be reckoned as per CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time. If the Main Meter(s) or Check Meter(s) or Stand by meter(s) are found to be not working at the time of meter readings or any other time, DVC shall inform CTU to get the same rectified. DVC may rectify the same in consultation with CTU/ERLDC/ERPC if allowed.*
- 4.3.5 *In case of failure of meters, energy/UI accounting for the period shall be as per procedure laid down by CERC or as per the mutually agreed procedure in RPC. In case of absence of any such procedure, the following procedure shall be followed: In case of failure of Main Meter(s), reading(s) of Check Meter(s) for the corresponding period shall be considered for energy/UI accounting. If both the Main and Check Meter(s) fail to record or if any of the PT fuses is blown out, energy shall be computed based on standby meters, if there be any or as guided by the applicable regulation. In case of dispute, the decision of Member Secretary of the ERPC would be final and binding.*
- 4.3.6 *Periodic testing of both Main, Standby and Check Meters shall be carried out in the presence of representatives of DVC and Haryana as per procedure laid out in CEA (Installation & Operation of Meters) Regulations, 2006 and as amended from time to time. For any testing and/or replacement, notice of seven days will be given.*

### **4.4 ENERGY ACCOUNTING**

- 4.4.1 *Both the Parties agree to facilitate issue of Regional Energy Accounts/Energy Accounts by 1<sup>st</sup> day of every month. Monthly Bills shall be raised on the basis of REA account issued by ERPC/SLDC, DVC*
- 4.4.2 *Energy Account issued by SLDC of DVC or any other Competent Authority shall be binding on all the parties for billing and payment purposes.*
- 4.4.3 *Any change in the methodology of Regional Energy Account shall be done only as per the decisions taken in the ERPC forums/CERC and both the Parties agree to abide by the methodology so finalized and will be followed by SLDC of DVC/ERLDC or any other competent authority.*

### **5.0 TARRIF**

#### **5.1 ADHOC TARIFF**

*DVC shall approach CERC for determination of Tariff before Commercial Operation Date of any unit of the Station. In case the Tariff is not determined for any reason by CERC prior to commencement of commercial operation of such unit of the Station/commencement of power supply to Haryana, the Parties agree that billing and payment shall be done on adhoc basis up to 95% of the annual fixed cost of the project claimed in the application of DVC submitted to CERC for Tariff or Provisional Tariff. Subject to the adjustment as per CERC (Terms & Condition of Tariff) Regulations, 2019 & its amendments from time to time, after the final tariff order or Provisional tariff is issued. DVC shall inform Haryana of such adhoc tariff.*

**5.2 Terms and conditions:**

5.2.1 *The Tariff and other terms & conditions for the electricity supplied from DVC thermal power Stations would be as determined by CERC from time to time.*

5.2.2 *Tariff for sale of electricity from the Station shall comprise of Capacity Charge, Energy Charge, Incentive and all other applicable taxes/charges, fees etc. as per CERC Regulations/Tariff Order or any other guidelines as may be applicable from time to time.*

**6.0 TAXES, LEVIES, DUTIES, ROYALTY, CESS ETC :**

**6.1 TAX ON INCOME**

*Income tax applicable for the sale of power under this Agreement shall be governed by the applicable CERC Regulations and the parties agree to abide by and comply such Regulations from time to time.*

6.2 *Statutory taxes, levies, duties, royalty, cess, fees or any other kind of levies imposed/charged by any Government (Central/State) and/or any other local bodies/authorities/concerned regulators on generation of electricity including auxiliary consumption or any other type of consumption including water, environment protection, sale of electricity and/or in respect of any of its installations associated with the station payable by DVC to the authorities concerned shall be borne and additionally paid by Haryana to DVC.*

*The taxes, levies, duties etc. shall be borne by Haryana as per provision of the CERC (Terms and Conditions of Tariff) Regulations, 2019 or as amended time to time and orders issued by CERC.*

**7.0 BILLING AND PAYMENT**

**7.1 BILLING:**

*The Charges for Supply of Electricity under this Agreement shall be billed by DVC as determined from time to time by the CERC/ or any other Competent Authority and the same shall be paid by Haryana in accordance with the following provisions:*

7.1.1 *DVC shall present the bills through e-mail(s) for electricity supplied to Haryana from the Station for the previous month based on Energy Account issued by ERPC/SLDC of DVC or any other Competent Authority. Haryana shall pay against the regular energy bills raised by DVC from the date of commencement of supply under this Agreement. Due date of payment for availing prompt payment rebate will be as per CERC Tariff Regulation in vogue.*

7.1.2 *Billing Centre of DVC shall carry out billing and associated functions. DVC would submit the bills to the Officer to be nominated by Haryana (Haryana has to intimate complete address/e-mail id(s) of designated officer to whom energy bill will be raised/sent by DVC.) In case of change of nominated officer, information of new billing address/e-mail id(s) has to be intimated by Haryana to DVC within the billing cycle. In case of default, the delay in non-receipt of bill will be on account of Haryana.*

7.1.3 *The Monthly Bill for the Station shall include the Charges for Supply of Electricity under this Agreement, other taxes, duties, cess etc. including additional bill(s) for the past Period(s) on account of orders of CERC/Appellate Tribunal for Electricity/Other Courts/other Competent Authority (ies). If for certain reasons some of the charges which otherwise are in accordance with this Agreement, cannot be included in the main Monthly Bills, such charges shall be billed as soon as possible through Supplementary Bill(s).*

7.1.4 *Amount due to DVC shall be remitted by Haryana in DVC's A/c No. 0082250010682 and IFSC Code –PUNBO008220, Punjab National Bank, New Maniktala, Kolkata–700 054 or shall be duly intimated by DVC within the billing cycle in case of any change in designated DVC account through electronic transfer within due date from the date of submission of respective bill by DVC (including the date of submission) through email/ fax to Haryana so as to process the bill immediately. In the event of due date being a bank holiday, the next working day would be the due date of payment.*

7.1.5 *Haryana shall arrange payment of such Monthly Bill(s)/Supplementary Bill(s) promptly through RTGS/direct payment transfer at the designated account of DVC. The bill(s) of DVC shall be*

*paid in full subject to the condition that -*

- i) *there is no apparent arithmetical error in the bill(s)*
- ii) *the bill(s) is/are prepared in accordance with the Provisional/final tariff determined by CERC// based on Adhoc Tariff determined.*
- iii) *they are in accordance with the Energy Accounts issued by ERPC/SLDC of DVC or such other Competent Authority.*

7.1.6 *All payments made by Haryana shall be appropriated by DVC for amounts due from Haryana as per CERC Regulation/CERC Order/MOP Order/Any other relevant order from competent authority as amended from time to time.*

7.1.7 *In case Haryana disputes any amount, even then, it shall pay 95% of the disputed amount forthwith and file a written objection with DVC within 30 (thirty) days of presentation of the bill, giving following particulars:*

- i) *Item disputed, with full details/data and reasons of dispute*
- ii) *Amount disputed against each item.*  
*Provided that non-acceptance of tariffs/orders determined/approved by CERC or any other Competent Authority shall not be a valid ground for dispute.*

7.1.8 *The amount of excess/shortfall with respect to the said 95% payment based on finally determined amount in line with Article 5.0 shall be paid/adjusted with the applicable interest as per CERC Regulations/ LPSC as per Electricity (Late Payment Surcharge and Related Matters) Rules, 2022/Relevant rules of appropriate authority and amendments thereof from time to time from the date on which the amount in dispute was payable/refundable.*

7.2 *REBATE AND LATE PAYMENT SURCHARGE*

- a) *Rebate shall be as per Terms and Conditions of Tariff Regulations issued by CERC as applicable from time to time.*
- b) *For the above purposes, the date of presentation of the bill shall be the same day in case it is delivered on or before 18:00 Hrs., else it would be the next Business Day*
- c) *No rebate shall be payable on the amount raised on account of Changes in Law, reimbursement bill relating to taxes, duties and cess in the Bill, LPSC Bill.*
- d) *The date of credited of payment to DVC account shall be considered as the date of payment for computation of rebate and late payment surcharge in respect of such payment*
- e) *Late Payment Surcharge shall be applicable as per MoP Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 /Relevant Regulation of appropriate authority and its amendments time to time thereof."*

2.9 That the Respondent, in its offer letter dated 31.01.2023, had mentioned that the tentative tariff for the projects is indicated in the range of Rs. 3.77 per unit to Rs. 4.11 per unit subject to tariff determination by CERC under Section 62 of the Electricity Act, 2003. Considering the same and the envisaged demand supply deficit for the FY 2028-29 till FY 2041-42, the procurement of power from the Respondent projects shall be feasible for the State of Haryana.

2.10 That the petitioner is submitted that DISCOMs are under an 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.

- 2.11 That the Petitioner-HPPC is making constant efforts to arrange a reliable and feasible power supply. Considering the foregoing submissions, HPPC considers that the sourcing of thermal power from the thermal power stations owned by Damodar Valley Corporation, i.e. Raghunathpur Thermal Power Station, Koderma Thermal Power Station and Durgapur Thermal Power Station, will be in the overall interest of State of Haryana.
- 2.12 That the following prayers have been made: -
- a. Grant Source approval for procurement of 300MW power from Raghunathpur Thermal Power Station, Phase-II (2x660MW) and 300MW power from Koderma Thermal Power Station, Phase-II (2x800MW) and 200MW power from Durgapur Thermal Power Station (1x800MW) owned by Damodar Valley Corporation;
  - b. Approve the Draft PPA enclosed with the petition as Annexure P-6; 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.

**3. Petitioner's additional submissions :-**

- 3.1 That the matter was heard by the Hon'ble Commission on 06.11.2024, wherein certain concerns were raised as regards the conditions of PPA and commissioning of the Thermal Power Stations. In view thereof, the Hon'ble Commission passed an order dated 11.11.2024 directing the parties to have a re-look at the draft PPA. In addition, thereof, certain queries were sought from the Respondent, as under –
- ".. the respondent is directed to provide the current status of the projects up to November, 2024 and expected date of CoD on the basis of experience gained from the similar type of projects earlier executed by the vendors. Additionally, the respondent is directed to provide the timelines of various projects awarded to M/s. BHEL containing the date of award of contract, projected date of completion and actual date of completion, in chronological order."*
- 3.2 That in response, the Respondent vide letter dated 22.11.2024 has given their submissions on the queries sought, submitting as under:-
- 3.2.1 **PPA Terms and Conditions:**
- PPAs for 1159 MW out of 3720MW from upcoming projects at KTPS Phase-II (2X800MW), RTPS Phase-II (2X660MW), and DTPS (1X800MW) have already been signed with GUVNL in July 2024 for 600 MW and Nov 2024 for 559 MW. DVC is already having one PPA with Haryana Power Generation Corporation Limited (HPGCL) for 300 MW from various old units of DVC. The terms and conditions of the proposed PPAs to HPPC are in line with GUVNL to have standardized format, consistency and fairness across all stakeholders involved. Altering the terms for a specific beneficiary could lead to discrepancies that may undermine the



integrity and enforceability of these agreements as a whole. In light of this, DVC is unable to modify the existing terms and conditions of the PPA as suggested.

All three projects are as per schedule and under monitoring of MoP for timely commissioning of the units. The projects will be completed within the timeline and if any unforeseen surprises appear the same will be handled as per laid down guidelines of MoP / CERC. Some issues and relevant guidelines as follows:-

- (i) CERC Regulations: The draft PPA aligns with the CERC (Terms and Conditions of Tariff) Regulations, 2024, ensuring compliance with all regulatory requirements for tariff determination and dispute resolution. Key elements, including prudence checks on capital cost, are already embedded in the regulatory framework to safeguard the interests of beneficiaries. The Central Electricity Regulatory Commission (CERC) has established robust mechanisms to oversee tariff petitions, especially concerning delays in achieving the COD. As per CERC (Terms and Conditions of Tariff) Regulations, 2024, stringent checks and balances are in place to scrutinize any delay in COD due to reasons attributable to the generating company i.e. DVC in this case.

CERC reserves the right in favour of DISCOM/ purchaser like:-

- (a) CERC can disallow capital costs related to delays caused by the generator.
  - (b) Beneficiaries, including Haryana Discom, have ample opportunity to present their concerns during the tariff determination process, ensuring transparency and fairness. Therefore, within the ambit of existing CERC regulatory framework DISCOM can address their concerns related to timelines, penalties, and capital cost adjustments.
- (ii) Non-Supply of Power Post-COD: The standard PPA already includes provisions under force majeure and other contingencies which cover scenarios impacting power supply. The affected party can claim relief under such provisions. Also, the events of defaults attributable to DVC are mentioned in Cl. 9,1 of the PPA and Haryana DISCOM reserves every right to execute as detailed in Cl no 9.3 of PPA against events of defaults attributable to DVC.
  - (iii) Arbitration Clause (Article 10.3.1): The arbitration clause specifies Kolkata as the place of arbitration, in line with DVC's existing agreements and institutional setup. This choice is intended to maintain consistency across all PPAs. However, we are open to discuss this further, should HERC has specific concerns regarding jurisdiction. It is also pertinent to mention that in existing PPA with HPPC for 300MW the place of arbitration is Kolkata.

### 3.2.2 Project Timelines and COD:

The three projects under discussion-KTPS Phase-II, RTPS Phase-II, and DTPS (1X800MW)- are brownfield projects. Key project requirements, such as land acquisition, coal linkages, transportation infrastructure etc. have already been secured.

For KTPS Phase-II environmental clearance has been recommended. Both equity and debt part for project capital has been secured.

For RTPS Phase-II environmental clearance has been accorded. Both equity and debt part for project capital has been secured.

For DTPS(1x800MW) DVC is in the process of obtaining Environmental Clearances.

Accessing the ongoing developments regarding project execution the expected date of COD is as follows:

- (i) Project Raghunathpur Thermal Power Station PH-II: March-2029
- (ii) Project Koderma Thermal Power Station PH-II: March-2029
- (iii) Project Durgapur Thermal Power Station (1X800MW): March-2029

**3.2.3 Status of RTPS PH II, KTPS PH II and DTPS (1X800MW) as on Nov 2024:**

(i) RTPS PH-II: The project is being executed on Engineering Procurement Construction (EPC) basis and status of all packages are furnished below:

- (a) Package 1: Steam Turbine Generator Package- Revived with M/s BHEL, Notification of award issued on 04-08-2023.
- (b) Package 2: Site Levelling Package: LOA issued on 12-11-2024.
- (c) Package 3: Steam Generator Package: Tender opening by end Nov,2024.
- (d) Package 4: Balance Of Plant Package: Tender opening by Dec, 2024.

(ii) KTPS PH-II: Notification Of Award issued to BHEL on 14-11-2024 on single Engineering Procurement Construction (EPC) basis.

(iii) DTPS(1X800MW): The project is being executed on multiple Engineering Procurement Construction (EPC) basis. NIT document preparation of multiple Engineering Procurement Construction Package viz. Boiler Turbine Generator Package, Balance Of Plant Package etc. is underway.

**3.2.4 Various projects awarded to M/s. BHEL with completion details in chronological order.**

The Contracts Awarded to M/s BHEL in recent past for Construction of Thermal Generating Units at Different Stations of Damodar Valley Corporation is as follows:-

Name of Station & Capacity	Date of Contract	Date of Scheduled COD	Actual Date of COD
Mejia Thermal Power Station Ph-II	31.12.2006	31.12.2009	02.08.2011
Durgapur Steel Thermal Power Station: 2 X 500 MW	03.08.2007	27.07.2010	15.05.2012
Koderma Thermal Power Station Ph-1: 2 X 500 MW	21.07.2007	19.06.2010	18.07.2013
Bokaro Thermal Power Station: 1X 500 MW	16.09.2008	16.12.2011	23.02.2017

Note:

- (a) The DSTPS PH-I there was huge level land filling because of low lying area which took some time. For both DSTPS PH-1 and KTPS PH-I projects which were greenfield

projects local law and order issues appeared including land acquisition beyond the control of DVC affected the project execution timeline.

- (b) The BTPS project was erected after dismantling the old units and shifting of exiting substation and it took time to shift the consumers to new substation which were beyond the control of DVC.
- (c) To provide encumbrance free land to BHEL, the location of existing cement grinding unit of M/s. Lafarge had to be shifted which took some time. Also the construction of coal handling plant conveyer tunnel needed dismantling of existing railway infrastructure which took some time leading some delay for MTPS PH-II project execution.

3.3 That it is the categorical stand of the Respondent, as is also mentioned in the letter dated 22.11.2024, that the terms of the PPA are uniform and standard for all the State beneficiaries. As such, there could not be any revision in the terms of the PPA. However, considering the tariff, the reliability of the proposed power, the envisaged demand supply deficit for the FY 2028-29 till FY 2041-42, in the wisdom of the Petitioner, the procurement of power from the Respondent projects shall be feasible for the State of Haryana.

3.4 That in view thereof, the approval may kindly be accorded to source power from the thermal power stations owned by Damodar Valley Corporation, i.e. Raghunathpur Thermal Power Station, Koderma Thermal Power Station and Durgapur Thermal Power Station, in the overall interest of State of Haryana.

#### **Proceedings in the Case**

4. The case was heard on 03.12.2024, in the courtroom of the Commission, wherein the petitioner mainly reiterated the contents of its written submissions, which for the sake of brevity has not been reproduced here.

#### **Commission's Analysis and Order**

- 5. The Commission heard the arguments of the parties at length as well as perused the petition filed by HPPC seeking approval of the draft PPA along with unconditional approval for procurement of 300MW power from Raghunathpur Thermal Power Station, Phase-II (2x660MW) and 300MW power from Koderma Thermal Power Station, Phase-II (2x800MW) and 200MW power from Durgapur Thermal Power Station (1x800MW) owned by Damodar Valley Corporation at the tariff to be determined by Hon'ble CERC (expected to be in the rage of Rs. 3.77 to Rs. 4.11 per kWh), with CoD expected to be achieved by the FY 2028-29.
- 6. HPPC has submitted that the Steering Committee for Power Planning (SCPP), Haryana, in its 68th meeting held on 14.03.2023, has already approved the proposal of M/s. DVC for procurement of 800 MW RTC power from the power projects in the instant petition. The DVC

has signed PPA on the same terms and conditions with GUVNL, as proposed in the draft PPA to be signed with the HPPC. DVC has expressed its difficulty in modification of the existing terms and conditions of the draft PPA, as suggested by this Commission, submitting that altering the terms for a specific beneficiary could lead to discrepancies that may undermine the integrity and enforceability of these agreements as a whole.

7. Notwithstanding the above, the Commission observes that the power from present source is available to Haryana Discoms at a very competitive tariff of Rs. 3.77/kWh to Rs. 4.11/kWh (tentatively), which will provide reliable and cost effective source to meet the envisaged power deficit for the coming years starting from the FY 2028-29. The HPPC (Discoms), have projected a deficit of 2285 MW in the FY 2028-29 surging to 6098 MW in the FY 2037-38.
8. In view of the above, the Commission grants approval of source for the procurement of 300MW power from Raghunathpur Thermal Power Station, Phase-II (2x660MW) and 300MW power from Koderma Thermal Power Station, Phase-II (2x800MW) and 200MW power from Durgapur Thermal Power Station (1x800MW) owned by Damodar Valley Corporation, as proposed in the present petition. Further, the Commission approves the draft PPA to be executed between the parties herein. The petitioner is directed to file the copy of the signed PPA in the Commission, within two weeks from the date of signing of the PPA.
9. Before parting with the order, in order to ensure the effectiveness of resource adequacy plan prepared by the HPPC (DISCOMs), the Commission directs HPPC to devise a mechanism for continuous monitoring of the projects to ensure that the target timelines are achieved and the CoD of the project is achieved by the FY 2028-29, as envisaged. HPPC should ensure to take monthly update, on email, on the progress of various phases of the project starting from site levelling, followed by quarterly visit to the plant site to take stock of the actual progress. A quarterly progress report, preferably jointly prepared by both the parties, be submitted to their respective Chairpersons, for their information and necessary intervention, where ever required.
10. 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 09.12.2024.

Date: 09.12.2024  
Place: Panchkula

(Mukesh Garg)  
Member

(Nand Lal Sharma)  
Chairman