

PUNJAB STATE ELECTRICITY REGULATORY COMMISSION

Petition No. 26 of 2015  
Date of Order: 29.06.2015

Present: Smt. Romila Dubey, Chairperson.  
Er. Gurinder Jit Singh, Member.

In the matter of: Petition under Section 86 (1) (b) of Electricity Act, 2003 for Power Procurement Plan on Short Term basis for the year 2015-16 read with the Public Notice issued by the Hon'ble Punjab State Electricity Regulatory Commission dated 23.10.2012.

AND

In the matter of: Punjab State Power Corporation Limited, The Mall, Patiala.

**ORDER:**

1. PSPCL has filed the present petition under section 86(1) (b) of the Electricity Act, 2003 for Power Procurement Plan on Short Term basis for FY 2015-16 read with Notification dated 23.10.2012 issued by the Commission. PSPCL has assessed the tentative power requirement for the State of Punjab for the period 1<sup>st</sup> April, 2015 to 30<sup>th</sup> October, 2015. The month-wise unrestricted demand of the State of Punjab for the period of 1<sup>st</sup> April, 2015 to 30<sup>th</sup> October, 2015 has been assessed by PSPCL on the basis of average demand during the last three years i.e. FY 2012-13 to FY 2014-15, with base year 2013-14 and applying 5% increase per year as under:-

Month	FY 2012-13	FY 2013-14	FY 2014-15	Average Demand of last 3 years	Proj. for FY 2015-16 in ARR for FY 2015-16
	MU	MU	MU	MU	MU
April	3095	3101	3014	3070	3385
May	4073	4348	3919	4113	4535
June	5519	4999	5774	5431	5988
July	6512	6296	6641	6483	7148
August	5941	5479	6578	6000	6615
September	4748	5215	4714	4892	5393
October	3736	3697	3748	3727	4109

2. PSPCL has worked out the anticipated availability of power from Central Sector, BBMB & Own Generation for the period from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> October, 2015 with the following assumptions :

- (i) The generation from own hydro, BBMB, Central Sector existing plants, PEDDA projects, Royalty & RSD share to be given to HP has been considered same by PSPCL as taken in ARR for FY 2015-16. Net Generation from all the own existing Thermal Plants has been taken as 800 MW for the period from 1<sup>st</sup> April, 2015 to 9<sup>th</sup> June, 2015 and 2300 MW onwards. The coal supply from the reallocated Pachhwarra Central Coal Mine will commence after 5/6 months as the process of selection of Mine Developer cum Operator (MDO) through competitive bidding will take at least about 5 to 6 months.

3. PSPCL has submitted the following for meeting power demand and maintaining coal stock position available with it:

- (a) Two units at GGSSTP, Ropar are proposed to be run with the expected receipt of 2 coal rakes per day. The existing coal stock of 27 days is to be maintained as coal reserve at GGSSTP till 9<sup>th</sup> June, 2015.

Two units at GHTP, Lehra Mohabbat and one unit at GNDTP, Bathinda are proposed to be run with

projected receipt of coal rakes at these stations till 9<sup>th</sup> June, 2015. The existing coal stock of 24 days is likely to be kept maintained at GHTP, Lehra Mohabbat & GNDTP, Bathinda till 9<sup>th</sup> June, 2015 with the operation of Units as per the proposal.

- (b) Due to serious transmission constraints imposed by NRLDC in the flow of inter-regional power during the coming summer season, the energy tied up through banking mechanism from Western Region (WR) may not flow to Northern Region (NR). In the latest inter-regional ATC intimated by NRLDC, no power has been allowed to flow under short term agreements from WR to NR. PSPCL has filed an application for flow of 300 MW (RTC) power from MP to Punjab (WR-NR) during this period on advance reservation basis. This power tied up by PSPCL with MP under Banking mechanism may not flow. PSPCL has anticipated that 666 MU (June to Sept.) of power will be available under banking arrangement in place of 2185 MU due to above reason. PSPCL has submitted the revised schedule of (590 MU) power available through Banking mechanism in the Petition.
- (c) PSPCL has submitted the latest status of upcoming projects projected in the ARR and has given the figures of energy projected in the ARR and energy now anticipated and has mentioned that 1237 MW of power will now be available against 2259 MW as projected in the ARR.

- (d) The import of power under Open Access by the consumers has been considered zero due to transmission constraints in N-3 Region (Punjab).
- (e) Grid losses for the required period have been assumed same by PSPCL as taken in ARR for FY 2015-16.
- (f) Power drawl under UI has been taken as zero because as per new deviation and settlement mechanism, heavy penalties have been introduced by CERC for over/under drawl of power from the grid.
- (g) 100% availability of coal only from CIL has been considered, whereas coal availability from PANEM has been considered as nil being uncertain.
- (h) GVK Units 1 & 2 have been assumed to commence generation w.e.f. October, 2015 and November, 2015 respectively.
- (i) NAPF for NPL and TSPL have been considered as 85% and 80% respectively. Load factor for NPL and TSPL Unit-1 have been considered as 100% & 65% respectively.
- (j) TSPL's 2nd and 3rd unit have been considered by July, 2015 & mid August, 2015 respectively and Load Factor has been taken as 65%.
- (k) Regular 8 hrs power supply for Agriculture Consumers during Paddy Sowing Season, 2015 has been considered by PSPCL.
- (l) TTC limit of 5700 MW and ATC of 5400 MW have been considered for import of power from various sources situated outside Punjab.

- (m) Only one Unit of NPL has been considered operational from 1st May, 2015 to 09th June, 2015 (second unit shall remain out of operation due to periodic maintenance).
4. The demand availability gap after taking demand and availability as per above submissions has been worked out as 3567 MU (though PSPCL wrongly mentioned as 3561 MU). The short term power purchase to be made by PSPCL @80% of above gap has been mentioned as 2862 MU. PSPCL has considered the above gap with the assumption that new upcoming projects will be available during this period. In case of slippage of any plants, it has been mentioned by PSPCL in the Petition that the shortage to that extent will be met with the short term purchase by PSPCL.
  5. PSPCL has submitted the details of actual short term power purchased during the last two years. PSPCL has submitted that the reasons for short supply/availability of power are beyond its control and under section 43 of the Electricity Act, 2003, PSPCL has a universal service obligation and has to make alternative arrangements for supplying power to the consumers.
  6. PSPCL has prayed that its proposal for purchase of 3567 MU on short term basis during the period 1<sup>st</sup> May, 2015 to 30<sup>th</sup> September, 2015 through competitive bidding process (through open tender) be approved and in case of slippage of any upcoming project, the requisite additional procurement of power on actual basis may also be allowed.
  7. The Petition was taken up for hearing on 22.04.2015. After hearing PSPCL, the Commission sought reply from PSPCL on

certain observations, before the Petition is admitted, vide its order dated 23.04.2015 which are as under:

- (i) PSPCL is required to explain the reasons for delay in commissioning of the plants as projected in the present petition after checking up the position with the developers.
- (ii) PSPCL should coordinate with PSTCL to conduct the System Study and confirm as to how demand of the State during 1<sup>st</sup> April, 2015 to 9<sup>th</sup> June, 2015 shall be met and power proposed to be procured from outside the State shall be dispersed to the consumers and submit the result of this study to the Commission.
- (iii) The financial impact of the proposal for purchase of short term power needs to be worked out with reference to various power purchase figures (in MU and Rupees) projected in the ARR and submitted to the Commission.

8. PSPCL filed reply to the observations of the Commission vide its letter dated 04.05.2015 and submitted that the power scenario got changed after the submission of ARR due to the following reasons necessitating procurement of short term power:-

- (i) (a) Due to Transmission constraints notified by NRLDC, flow of power from WR to NR has been restricted and no power can be flown from WR to NR. PSPCL had projected 2185 MU power under banking arrangements with HPSEBL, Jammu & Kashmir, MPPMCL PTC (Gridco) & JSW (Maharashtra).  
PSPCL had projected 520 MW (RTC) of power under banking arrangement with MPPMCL (MP State) and JSW (Maharashtra) from the Western Region. This power would have been supplied to PSPCL during the

months of May, 2015 to September, 2015 and the banked energy would have been returned back during winter of the year 2015-16 as proposed in ARR for FY 2015-16 under the banking head. Because of transmission constraints, only 666 MU of banked energy has now been anticipated to flow from HPSEBL, J&K, BRPL (through MPL), PTC and GMR state.

- (b) There has been delay in the CoD of 2<sup>nd</sup> unit of TSPL Project at Talwandi Sabo (from February, 2015 to July, 2015), 3<sup>rd</sup> unit of TSPL Project (from March, 2015 to beyond September, 2015), 1<sup>st</sup> Unit of GVK Project at Goindwal Sahib (from 1<sup>st</sup> April, 2015 to October, 2015) and 2<sup>nd</sup> Unit of GVK Project at Goindwal Sahib (from 1<sup>st</sup> September, 2015 to November, 2015). In ARR for FY 2015-16, PSPCL has considered that all the units are expected to come up by June, 2015. At present, only one unit of Koldam is expected to be available during the paddy season 2015. MHP has been considered to be delayed atleast by one month than the assumed date in ARR for FY 2015-16 i.e. June, 2015 to July, 2015. Koldam & MHP being hydro power are must to be scheduled. Energy from TSPL & GVK (Goindwal Sahib) being thermal stations, if available, would have to be scheduled keeping in view their merit order in terms of price. Due to delayed CoD of above stated power projects, less generation shall be available from these projects.
- (ii) System studies have been carried out by PSTCL and there is no stability problem. Further, PSPCL has also

taken into account the extra demand of power for one more hour.

- (iii) The delay in commissioning of new plants has reduced its expenditure for variable cost of energy and fixed charges. 800 MW Generation has been considered from own thermal generating stations for the period from 1<sup>st</sup> April, 2015 to 9<sup>th</sup> June, 2015 for conserving coal to be used in peak paddy season. 2300 MW generation for the period from 10<sup>th</sup> June, 2015 to 31<sup>st</sup> August, 2015 and 1400 MW generation during September, 2015 have been considered due to uncertainty of coal supplies. Details of cost saving due to delay in commissioning of new plants, fuel cost saving of own plants due to less generation and the cost of short term power purchase have been submitted by PSPCL in its reply. PSPCL has worked out the cost of power from delayed plants and own generation as ₹6130 crore and ₹6108 crore as per ARR for FY 2015-16 and as per the present Petition.

9. The Petition was taken up for hearing on 05.05.2015 and PSPCL was directed vide Commission's order dated 07.05.2015 to file reply to the following observations by 11.05.2015 :-

- (i) In the ARR for FY 2015-16, PSPCL has projected generation of 800 MW from its own thermal generating stations against installed capacity of 2580 MW, during the period from 1<sup>st</sup> May to 9<sup>th</sup> June, 2015 and thereafter 2300 MW, due to non-receipt of coal from Pachhwara (Central) coal mine after 31.03.2015. The possibility of arranging coal from alternate sources i.e. through e-auction, inviting bids from CIL companies, participating in tenders floated for sale of coal by domestic producers, through import of coal etc., needs to be



explored by PSPCL so that power from PSPCL's own thermal generating stations could be obtained to their full installed capacity during the period from May to August, 2015, during which PSPCL has proposed to buy short term power. In the ARR for FY 2015-16, PSPCL has projected importing of coal to make up for non-receipt of coal from Pachhwara (Central) coal mine.

- (ii) For the period from 9<sup>th</sup> June to 31<sup>st</sup> August, 2015, PSPCL has projected 2300 MW generation from its own thermal plants against installed capacity of 2680 MW. Reasons for projecting less generation need to be commented upon.
  - (iii) In the petition, PSPCL has prayed for approval for purchase of 3561 MU from 1<sup>st</sup> May to 30<sup>th</sup> September, 2015, whereas in the main submissions, PSPCL has mentioned short term power purchase to be procured as 2861 MU.
  - (iv) It has been mentioned in the petition that only one unit of NPL has been considered operational from 1<sup>st</sup> May, 2015 to 9<sup>th</sup> June, 2015 and the second unit shall remain out of operation due to periodical maintenance. PSPCL should impress upon NPL authorities for rescheduling the maintenance of NPL.
10. PSPCL did not file any reply till the date of next hearing i.e. 12.05.2015 and was again directed vide Commission's order dated 13.05.2015 to file the reply to the additional observations of the Commission by 15.05.2015
11. PSPCL filed reply through email on 18.05.2015 and submitted as under:-
- (i) PSPCL is making all out efforts to arrange coal from all the available sources which include indigenous as well as off-shore so as to arrange it as per requirement for the whole of the paddy season. The process has already been started and bids for the import of coal have already

been invited and are under process. Every effort is being made by PSPCL to arrange additional linkages for domestic coal. PSPCL is fully aware of the ground realities and is doing its level best by exploring all the means available at its disposal to arrange maximum possible coal before the onset of the paddy season. The Petition intends to cover the eventuality which may arise due to certain unforeseen circumstances in the event the coal is not arranged to the level which is required to run its thermal generating stations to the desired level of 2300 MW during the paddy season and in the event, a unit develops some snag leading to its forced outage and consequent shortfall in availability.

- (ii) For the period from 9<sup>th</sup> June, to 31<sup>st</sup> August, 2015, 2300 MW generation has been projected by PSPCL against the installed capacity of 2640 MW. It has been done on the basis of the presumption that on an average 340 MW of own generation may remain on forced outage due to technical faults at one point or the other. With 2300 MW availability, PSPCL is considering 87% availability of its own thermal generation for the above referred period. PSPCL has further submitted that full capacity of 2640 MW shall be utilized during the period when all the units are available.
- (iii) As per the availability-demand scenario, total gap between demand & availability of power has been worked out as 3561 MU and the same has been projected in the petition. In order to provide uninterrupted supply to the consumers, this gap needs to be bridged and the only option available is to purchase power from

market. As per the directions of Hon'ble PSERC in its Tariff Order for FY 2013-14, only 80 % of the total power requirement can be purchased on short term basis, balance 20% needs to be purchased on day ahead basis through Energy Exchanges considering day ahead power supply scenario. In view of this binding, out of the total requirement of 3561 MU, PSPCL can purchase only upto 2861 MU through Short Term Power Purchase (STPP) and the balance 700 MU needs to be purchased through Power Exchanges on day ahead basis.

- (iv) One unit of NPL has been considered as out of operation from 1<sup>st</sup> May, 2015 to 9<sup>th</sup> June, 2015 in view of the fact that it is mandatory for NPL to carry out periodic maintenance in order to obtain boiler clearance certificate. However, PSPCL has managed to impress upon NPL authorities to reschedule its periodic maintenance after the completion of paddy season and accordingly the unit which was considered out of operation from 1<sup>st</sup> May, 2015 to 9<sup>th</sup> June, 2015 for periodic maintenance is available as of now.

12. The Commission admitted the petition vide its order dated 20.05.2015 and ordered as under:

*“.....The Commission shall issue a Public Notice inviting objections/suggestions/comments from general public/stakeholders. Further action in the matter shall be decided after consideration of objections / comments / suggestions of general public / stakeholders. In the meantime, PSPCL is directed to work out and intimate the revised quantum of short term power required to be procured for the year 2015-16, in view of the*

*submissions made by PSPCL vide its letter No. 5753 dated 18.05.2015 that PSPCL has managed to impress upon NPL authorities to reschedule their periodic maintenance after the completion of paddy season and accordingly the unit under discussion is available as of now.”*

13. A Public Notice was issued inviting objections/comments from general public/stakeholders. One number objection from Sh. R.S. Sachdeva, Co-Chairman, Punjab Committee, PHD Chamber of Commerce and Industry, Chandigarh was received in response to public notice and the issues raised in the objection are summarised as under: -
- (i) PSPCL has worked out demand projection on the basis of average of last 3 years and escalation of 5%, which is not as per PSERC Regulations. Regulations prescribe the methodology of CAGR for estimation of projected consumption. CAGR methodology is used for estimation in ARR and Tariff Orders.
  - (ii) PSPCL has stated in clarifications that it has supplied average 7 hours supply to agriculture sector and has sought to increase the quantum of power purchase for additional one hour to make the supply for 8 hours. This increase is artificially created to get approval of more funds and is not acceptable. PSPCL has not brought out any such fact in the previous year's ARR or in any other report. Rather, PSPCL is reporting to Govt. and farmers for assured 8 hours supply.
  - (iii) The whole exercise seems to be a plot to get extra revenue requirement from PSERC which will be utilized

to fund unapproved expenditures. This will have adverse effect on the consumers of the state.

- (iv) PSPCL has failed to submit 10 year rolling plan for purchase of power as per clause 9 of the PSERC "Power Purchase and Procurement Process of Licensee" Regulations, 2012.
- (v) The power availability from own thermal plants is likely to improve. As per latest reports, with the approval of Govt. of Punjab, the Pachhwara Coal Block has been handed over to EMTA, the JV Company which earlier operated the mine for PSPCL. The coal mine is likely to be made operational shortly and coal supplies shall be resumed probably by the start of Paddy season. This fact has not been brought out by PSPCL in the Petition or subsequent correspondence.
- (vi) PSPCL is submitting figures as per its suitability to earn unjustified revenues from the Commission and resultantly burdening the consumers with its inefficiencies. PSPCL in the present Petition decreased the availability by 6627 MU in comparison to Petition no. 6 of 2015 and ARR for FY 2015-16, whereas requirement has been increased by 3540 MU. In the ARR for FY 2015-16, PSPCL projected increased availability and presented the case of surplus power  $(43028-34649) = 8379$  MU and got fixed charges for this power to be surrendered. Now, PSPCL has projected a shortfall of 3557 MU and wants cost of power purchase for this shortfall @ ₹4/- per unit.
- (vii) PSPCL has stated that banking of power is not feasible from WR in paddy season. The position of WR-NR

corridor is critical since last season. Three months advance reservation of corridor should have been done by PSPCL as about 250 MW of power has already been booked on WR-NR corridor by the Regional Load Dispatch centre. This would have facilitated return banking in winter season and consequent corresponding reduction of fixed charges for idle capacity in winter.

- (viii) The projected requirement and availability from April to October, 2015 as per Load Generation Balance Report (LGBR) approved by Northern Region Power Committee (NRPC) in April, 2015 in consultation with PSPCL viz-a-viz now presented in the Petition by PSPCL has been submitted by the objector in its objection.

It has been submitted that requirement of power has been increased from 23790 MU to 25032 MU i.e. an increase of 2242 MU or 9.42% whereas availability has been reduced from 21997 to 21455 MU i.e. decrease of 542 MU or 2.46%. The shortfall as per LGBR for these 4 months which worked out as 1793 MU in April, 2015, has now been projected as 4577 MU, i.e. an increase of 2.55 times, indicating serious mismatch in the methodologies adopted by PSPCL for submissions to NRPC/GOI (which is used for allocation of unallocated power of Central Generating Stations) and to PSERC.

- (ix) As per information available on the Internet, three units of Kol Dam stand synchronized in April and May, 2015 and fourth unit is also likely to be commissioned shortly. Similarly, the authenticity of commissioning dates of Punjab IPPs needs to be verified. MHP stage 3 is also not likely to be commissioned by August, 2015.

14. PSPCL vide letter dated 18.06.2015 submitted its reply to the comments of the objector as under:

- (i) CAGR methodology used by PSPCL for demand projection in ARR is based on actual energy sold, whereas in the Petition, PSPCL considered average of the unrestricted demand for the last three years to be more realistic.
- (ii) During the previous years, PSPCL has strived to give 8 hours of power supply to AP consumers but due to local constraints like overloading of Transmission Lines/Grid substations or due to reduced availability of power on account of outage of units or non-availability of corridor leading to transmission constraints, the average supply to AP consumers has been around 7 hours instead of 8 hours. Since last year, PSPCL as well as PSTCL has upgraded its system after which it is possible to give 8 hrs power supply to the AP consumers, which is being given at the moment.
- (iii) Power purchase requirement submitted by PSPCL in the ARR is purely an anticipation, whereas the same shall be made on actual basis as per requirement depending upon the situation prevailing at that time and the Commission will be apprised about it, from time to time.
- (iv) CE/Planning of PSPCL has prepared Availability-Demand projections up to the year 2035, based upon its present generating sources as well as upcoming projects expected to come up in future. As per these projections, PSPCL is already in surplus position regarding power. In these projections, on time commissioning of upcoming new plants has been considered. Any delay in

commissioning of new plants may lead to reduced availability.

- (v) Pachhwara Coal Mine has been allocated to PSPCL and the work for development of the mine has started but the coal from the mine is not likely to be available immediately. In view of non availability of coal from Pachhwara coal block, PSPCL has planned to maintain sufficient coal stock till 9<sup>th</sup> June, 2015, so that during paddy season, peak demand can be met by using its own generation to the maximum possible extent, which has been brought out in the Petition, in which 2300 MW of own thermal generation has been considered to be available during paddy season. Resumption of coal supply from Pachhwara coal block doesn't have any bearing on the requirement of power to be purchased by PSPCL.
- (vi) At the time of filing of ARR by PSPCL, various projects yet to be commissioned at that time were assumed to be available by PSPCL for the year 2015-16 and the availability was worked out accordingly. At the time of filing of present petition, these projects were yet to be commissioned resulting into reduced availability which has been duly taken care of by PSPCL in the projections.
- (vii) PSPCL applied for booking of transmission corridor on advanced reservation basis. But for June, 2015, no corridor was available for PSPCL even on advanced reservation basis. For July, 2015 and August, 2015, PSPCL has succeeded to book transmission corridor of 174 MW & 192 MW respectively on an average on WR-



NR corridor by applying for it on an advanced reservation basis.

- (viii) Availability of power to PSPCL has reduced from the estimated/projected value for a considerable part of the year, due to delay in the commissioning of units/plants. Project wise details regarding delay in commissioning and the resultant reduction in the availability viz-a-viz the projections have been submitted by PSPCL.
  - (ix) Two no. units of Koldam HEP have been shown as commissioned on the website but these units have not commenced generation as yet, and PSPCL is not receiving its due share from Koldam till date. Any delay in commissioning of MHP may lead to further reduction in availability of power for PSPCL till the time the project is commissioned. Regarding IPPs, the probable dates of commissioning given by them cannot be relied upon since these dates have been revised quite a few times in the recent past and thus the purchase of power becomes all the more important to meet with the short fall arising out of the non-commissioning of these units/plants.
15. PSPCL vide letter dated 18.06.2015 also submitted the reply to the observations of the Commission mentioned in its Order dated 20.05.2015, as under:
- (i) The short term power purchased by PSPCL for the period from 1<sup>st</sup> May, 2015 to 9<sup>th</sup> June, 2015 on actual basis is 70.3 MU against the projected requirement of 1005 MU.
  - (ii) PSPCL has submitted the revised Demand Availability scenario for the period from 10<sup>th</sup> June, 2015 to October, 2015 as under:

Description		Unit	PADDY 2015					Total
			June 10-30	July	August	Sept.	Oct.	
As per latest banking	Availability	MU	3950	6147	6210	5128	5439	26874
As per Projected Demand (as per 8 hr. Supply)	Demand	MU	4674	7427	6894	5663	4109	28767
	Gap (+ve means surplus and -ve means deficit)	MU	0	0	0	0	1330	1330
		MU	-724	-1279	-684	-536	0	-3223
		MW	-1436	-1720	-919	-744	0	
Short Term Power to be procured (80% of above gap)	MU	-579	-1024	-547	-429	0	-2578	
	MW	1149	1376	735	595	0		
Corridor Available		MW	1667	1667	1667	1667	1667	
Avg. Quantum of Banking Agreement to be received		MW	120	174	317	297	0	
Remaining Corridor left can be plugged through STPP		MW	1547	1493	1350	1370	1667	

PSPCL has submitted that revised scenario is based upon the following assumptions:

- (a) 2300 MW generation from own generating stations has been considered w.e.f. 10<sup>th</sup> June, 2015 to 31<sup>st</sup> August, 2015.
- (b) TSPL's 2nd and 3rd units have been considered to be operational by July, 2015 and October, 2015 respectively.
- (c) Both the units of NPL have been considered operational during the period from 10th June to 31st October, 2015. NAPF for NPL and TSPL have been considered as 85% and 80% respectively. Load factor for both the units of NPL and Unit-1 of TSPL have been considered as 100% & 65% respectively.

- (d) Units 1 & 2 of GVK have been assumed to commence generation w.e.f. October, 2015 and November, 2015 respectively.
  - (e) Regular 8 hrs Supply for Agriculture pump sets during Paddy Season 2015 has been considered.
  - (f) TTC limit of 6200 MW and ATC of 5700 MW has been considered for import of power from various sources situated outside Punjab.
  - (g) 100% availability of coal from CIL has been considered, whereas coal availability from PANEM has been considered from July, 2015.
  - (iii) PSPCL has submitted the details of quantum of power tied up/to be tied up for the period from 10<sup>th</sup> June, 2015 to 30<sup>th</sup> September, 2015 and has intimated that quantum of power for the month of September, 2015 will be tied up later.
  - (iv) PSPCL has submitted the total requirement for short term power purchase during the paddy season of 2015 as 3294 MU.
16. After going through the submissions made by PSPCL, the comments of the objector and the reply of PSPCL on the issues raised by the objector, the Commission observes and decides as under:
- (i) In the Petition, PSPCL submitted the requirement for short term power purchase as 3561 MU. PSPCL vide its letter dated 18.06.2015 has submitted the revised requirement for short term power purchase as 3294 MU. In the revised requirement, PSPCL has decreased the power availability during the month of August, 2015 from 6325 MU to 6210 MU and during the month of September, 2015 from 5967

MU to 5128 MU, thereby increasing the gap between availability and demand for the months of August, 2015 and September, 2015 by 115 MU and 535 MU respectively, in comparison to the figures earlier submitted in the present Petition. As the revised figures submitted by PSPCL vide letter dated 18.06.2015 have been submitted after issue of the public notice and inviting comments from the general public/stakeholders on this issue, so these revised figures cannot be taken into consideration. The Commission therefore approves the short term power purchase for the period from 1<sup>st</sup> May, 2015 to 30<sup>th</sup> October, 2015 as 2642.31 MU. This approval of the Commission for purchase of the short term power is subject to the condition that PSPCL follows the procedure as laid down in the Punjab State Electricity Regulatory Commission (Power Purchase and Procurement Process of Licensee) Regulations, 2012.

- (ii) As per Regulation 11 (iii) of the Punjab State Electricity Regulatory Commission (Power Purchase and Procurement Process of Licensee) Regulations, 2012, PSPCL can procure additional power up to 10% over and above power purchase quantum approved by the Commission. For power purchase of over and above 10%, PSPCL shall file separate Petition for seeking the approval of the Commission.
- (iii) PSPCL will ensure timely submission of Petitions relating to short term power purchase plan and long term power purchase plan as per Punjab State Electricity Regulatory Commission (Power Purchase and Procurement Process of Licensee) Regulations, 2012.
- (iv) PSPCL shall also submit to the Commission the information as mentioned in Regulation 11 (iv) and 11 (v) of Punjab

State Electricity Regulatory Commission (Power Purchase and Procurement Process of Licensee) Regulations, 2012.

The actual quantum and cost of short term power purchase shall be submitted by PSPCL to the Commission at the time of review/true-up for FY 2015-16.

- (v) The variation in Demand and Availability as pointed out by the objector should be avoided by PSPCL in the future and steps should be initiated for correct assessment of Demand and Availability.

The Petition is disposed of accordingly.

Sd/-  
(Gurinder Jit Singh)  
Member

Sd/-  
(Romila Dubey)  
Chairperson

Chandigarh  
Dated: 29.06.2015