

## **The HPSEBL Versus The HPPCL**

**MA No. 294 of 2024**

**26.12.2024**

Present: Sh. Kamlesh Saklani, Authorised Representative for the Applicant alongwith Sh. Mandeep Singh, CE(SO).  
Sh. Sh. Vikas Chauhan, Ld. Counsel with Sh. Des Raj, Director (Electrical) for the Respondent.

### **ORDER**

The file taken up today pursuant to an application for early hearing of the matter moved by the HPSEBL. It is submitted by Sh. Mandeep Singh, Chief Engineer (System Operation) that the parties have agreed to sign the Power Purchase Agreement (PPA), as such, application be taken up today. The application is duly supported by an affidavit. Sh. Vikas Chauhan, Ld. Counsel for the HPPCL submits that the HPPCL has no objection for taking up the matter today as the HPPCL is ready to sign the PPA. Keeping in view the prayer made by the parties, the Application is ordered to be taken up today.

2. Sh. Vikas Chauhan, Ld. Counsel for the Respondent has placed on record the draft PPA and submits that the HPPCL is ready to sign the PPA as per Order dated 12.04.2024 in Petition No. 48 of 2024. However, he submits that the liberty be granted to the HPPCL for filing Application/ Petition before the Commission for settlement of energy charges w.e.f. date of synchronization till the signing of the PPA. Sh. Chauhan, Ld. Counsel further submits that the PPA would be signed by the HPPCL on the approval of the draft PPA by the Commission as submitted today.

3. Sh. Mandeep Singh, Chief Engineer (System Operation) submits that the HPSEBL has moved the present application for signing the PPA at the earliest and both the parties have agreed to sign the PPA on the approval of the draft PPA as submitted today before the Commission.

4. The case has chequered history. The Commission vide order dated 12.04.2024 in Petition No. 48 of 2024 had approved the PPA subject to the following condition:-

*“The Joint Petitioner No. 1 is in dire need of power procurement. Since a Joint Petition has been filed that the procurement shall be on the rate approved by the Commission, the Petitioners have made out a case for the approval of PPA. In the circumstances, the PPA is ordered to be approved on the aforesaid rate of Rs. 2.90 per unit. In case said rate is acceptable to the Joint Petitioners, the PPA may be signed on said rate within 15 days. In any case, said rate is not acceptable, the Joint Petitioner No. 2 shall be open to sell the same in open market through power exchanges. The decision of signing the PPA be taken within 30 days, failing which, the permission shall be deemed to have been denied.”*

However, the PPA was not signed.

5. In the meanwhile, the extension was sought by the HPPCL which was allowed vide order dated 24.08.2024 in Petition No. 109 of 2024 granting fifteen days time as under:-

*“This application has been filed before the Commission on 29.05.2024. Despite availing time on various dates after filing the present application, no decision to sign the PPA has been taken by the Applicant. However, keeping in view that the Petitioner No. 1 is in dire need of power procurement and since the Joint Petition had been filed and extension of time has been prayed, the Commission is of the firm opinion that it would be in the interest of the parties and the consumers that a time of 15 days is granted for the Applicant for implementation the Order dated 12.04.2024 in Petition No. 48 of 2024 and sign the PPA within 15 days. The application is, therefore, disposed off with the direction to sign the PPA in Petition No. 48 of 2024 as per the order dated 12.04.2024 within 15 days. In case no decision is taken and PPA is not signed, as directed during the extended period of 15 days, the Applicant/ Petitioner shall be free to sell the power of 32 MWac Pekhubella SPP in the open market.”*

6. Still the PPA was not signed. Had the PPA been signed immediately, as directed vide order dated 12.04.2024, no dispute regarding supply of energy would have arisen. Since, the signing of the PPA has been delayed considerably, the Commission deems it appropriate to permit HPPCL to raise dispute regarding the supply of energy without signing the PPA separately after signing the PPA.

7. Since both the parties have agreed to sign the PPA as per order dated 12.04.2024 in Petition No. 48 of 2024 on the approval of draft PPA as submitted today, the application moved by the HPSEBL on 02.12.2024 is allowed. The PPA is ordered to be signed within three days from today.

8. The Technical Division of the HPERC is directed to make appropriate corrections in the draft PPA, as submitted today and send the approved copy of the draft PPA to the parties alongwith copy of the order to carry out the changes in the draft PPA as suggested by the Commission.

9. As prayed, liberty is accorded to the HPPCL to raise appropriate issue regarding the supply of energy allegedly to the HPSEBL, from the date of synchronization to the date of signing of the PPA, in a separate Petition after signing the PPA.

10. Three copies of the executed Power Purchase Agreement be submitted to the Commission for record.

The Application is disposed off. Be tagged to Petition No. 48 of 2024 for record.

**-Sd-**  
**(Shashi Kant Joshi)**  
**Member**

**-Sd-**  
**(Yashwant Singh Chogal)**  
**Member (Law)**

**-Sd-**  
**(Devendra Kumar Sharma)**  
**Chairman**