

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 328/MP/2024

- Subject : Petition under Section 79(1)(b) & (f) of the Electricity Act, 2003 read with Rule 3 of the Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 and Article 13 of the Power Purchase Agreement dated 7.8.2008 (as subsequently amended from time to time) with Haryana Discoms and Power Purchase Agreement dated 20.1.2009 (as subsequently amended from time to time) with Tata Power Trading Company Limited seeking declaration of certain Change in Law events which mandate co-firing of biomass pellets and in-principle approval for grant of consequent relief for Jhajjar Power Limited's 1320 MW Power Project located in Haryana.
- Petitioner : Jhajjar Power Limited (JPL)
- Respondents : Uttar Haryana Bijli Vitran Nigam Limited & Ors.
- Date of Hearing : **6.11.2024**
- Coram : Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member
- Parties Present : Shri Vishrov Mukerjee, Advocate, JPL
Shri Janmali Manikala, Advocate, JPL
Shri Damodar Solanki, Advocate, JPL
Ms. Shreya Sundarraman, Advocate, JPL
Ms. Sriya Polepally, JPL
Shri Shubham Arya, Advocate, Haryana Discoms
Shri Harshvardhan Singh, Advocate, Haryana Discoms

Record of Proceedings

Learned counsel for the Petitioner submitted that the present Petition had been filed *inter alia* seeking a declaration that the events viz. (i) Ministry of Power's Biomass Policy dated 17.11.2017 read with subsequent modifications, which *inter alia* mandates all coal-based TPPs with bowl mills to co-fire minimum 5% biomass pellets along with coal w.e.f. FY 2024-25 and minimum 7% from FY 2025-26, (ii) Direction No. 42 dated 17.9.2021 issued by the CAQM, which mandates all coal-based TPPs situated within a radius of 300 kms of Delhi to co-fire 5-10% biomass pellets with coal, and (iii) Crop Residue Rules notified on 11.7.2023 by the Ministry of Environment, Forest and Climate Change which *inter alia* mandates all coal-based TPPs situated in NCR and adjoining areas to co-fire minimum 5% of biomass pellets or briquettes along with coal, as Change in Law events under Article 13.1.1(i) of the Power Purchase Agreements entered into with Haryana Discoms and Tata Power Trading Co. Ltd. as well as under Rule 2(1)(c) of the Change in Law Rules. Learned counsel submitted

that on account of the above Change in Law events, it has become mandatory for the Petitioner to use a 5% blend of non-torrefied biomass pellets along with coal on an annual basis for the generation of power from its 1320 MW Project w.e.f. FY 2024-25. However, the Project's current infrastructure does not support biomass co-firing beyond 3%, and it will require additional capital and operating expenditures to carry out suitable modifications to the existing boiler at its Project. Accordingly, the Petitioner is also seeking the in-principle approval of such additional capital and operation expenditure to be incurred by the Petitioner. Learned counsel also submitted that the Petitioner also intimated the above requirement of modification/retrofitting to the Procurers, Haryana Discoms, and TPTCL, who, in response, asked the Petitioner to approach the Commission for approval. Learned counsel added that the Petitioner intends to undertake the requisite modification/retrofitting during its annual maintenance period and accordingly, urged to expedite the proceedings in the matter.

2. Learned counsel for the Respondents, Haryana Discoms accepted the notice and sought liberty to file their reply on maintainability as well as the merits of the case.

3. Considering the submissions made by the learned counsel for the parties, the Commission ordered as under:

(a) Admit and issue notice, subject to just exceptions; and

(b) The Respondents to file their respective replies on maintainability as well merits, if any, within four weeks with a copy to the Petitioner, who may file its rejoinder within two weeks thereafter.

4. The Petition will be listed for the hearing on **17.12.2024**.

By order of the Commission
Sd/-
(T.D. Pant)
Joint Chief (Law)