

**JOINT ELECTRICITY REGULATORY COMMISSION
(FOR THE STATE OF GOA AND UNION TERRITORIES)
GURUGRAM**

CORAM

Shri Alok Tandon, Chairperson
Smt. Jyoti Prasad, Member (Law)

Petition No. 158/2025

Date of Hearing:- 11.11.2025

Date of Order: 19.12.2025

In the matter of:

Petition under Section 62, 86(1)(b) and 86(1)(e) of the Electricity Act, 2003 read with Regulation 60 of the Joint Electricity Regulatory Commission (Conduct of Business) Regulations, 2009 seeking approval of the Draft Power Purchase Agreement between Ratle Hydroelectric Power Corporation Limited and Chandigarh Power Distribution Limited from Ratle Hydroelectric Power Corporation Limited Power Station.

And in the matter of:

Chandigarh Power Distribution Limited

SCO-33-35, 4th Floor, City Centre, Sector 34-A,
Chandigarh -160022, India.

.....Petitioner

And in the matter of:

Ratle Hydroelectric Power Corporation Limited.

NHPC Regional Office, JDA Commercial,
Complex No. 1, Narwal, Jammu-180006

..... Respondent

Present: -

For the Hearing:

1. Ms. Prachi Jain, Head-Regulatory, CPDL.
2. Mr. Dushyant Manocha, Advocate, CPDL.
3. Mr. Lalit Mohan Joshi, GSM (Mech.), RHPCL

Order

1. The Petition has been filed by Petitioner on 17.10.2025 under Section 62, Section 86(1)(b) and 86(1)(e) of the Electricity Act, 2003 read with Regulation 60 of the Joint Electricity Regulatory Commission (Conduct of Business) Regulations, 2009 with following prayers:
 - a. Approve the Draft Power Purchase Agreement (“PPA”) between the Ratle Hydroelectric Power Corporation Limited (RHPCL) and the Petitioner for allocated power to the Union Territory of Chandigarh (i.e 1 MW at present) from the Ratle Hydroelectric Power Station for a period of 40 Years.
2. The Petitioner’s submissions in brief are as under:
 - a. The Petitioner is a distribution licensee in terms of Section 2(17) of the Electricity Act, 2003 having its area of supply in the Union Territory of Chandigarh.
 - b. The Petitioner in the present petition is seeking inter alia the approval of this Hon’ble Commission of the Draft Power Purchase Agreement between the Respondent, i.e Ratle Hydroelectric Power Corporation Limited (in short RHPCL) and the Petitioner. The draft PPA pertains to the 850 MW Ratle Hydroelectric Power Station located at Kishtwar, Union Territory of Jammu and Kashmir (“Ratle- 850 MW”).
 - c. The brief facts leading up to the filing of the present petition are succinctly stated as under:
 - i. RHPCL is a joint venture between National Hydro power Corporation limited (NHPC) and Jammu and Kashmir State Power Development Corporation limited (JKSPDCL) RHPCL has established the Ratle-850 MW, comprising five units- four units of 250 MW each and one unit of 30 MW. Based on the information provided by NHPC vide their letter dated 02.06.2022, the said units are expected to commence their supply w.e.f February,2026.
 - ii. Prior to the coming into force of the 01.02.2025, the Electricity Wing of Engineering Department of the Administration of Union Territory of Chandigarh was carrying out

the functions of purchasing, distribution and retail supply of the Electricity in the Union Territory of Chandigarh.

- iii. In order to discharge its functions of inter alia distribution of electricity, the Electricity Department entered into power purchase agreements with various generators, including NHPC.
- iv. In light of the transfer scheme and subsequent transfer of distribution business of Electricity Department, the petitioner is mandated to enter into Power Purchase Agreement with various generating stations, including RHPCL.
- v. In view thereof, NHPC vide letter dated 11.03.2025, shared the draft PPA prepared in line with the MoP Guidelines with the Petitioner and requested Petitioner to accord its consent and subsequent execution.
- vi. Subsequently, the MOP, vide Notification No. 11/29/2023 (part)- NHPC dated 15.04.2025 allocated the power inter alia from Ratle-850 MW to the constituent States/ Union Territories wherein the Union Territory of Chandigarh was allocated power of 1 MW out of the total capacity of 850 MW. The relevant extract of the allocation of power is reproduced hereunder:

Sr. No.	Name of State/UT	Proposed Allocation (MW)	Share in Installed Capacity (%)
1	Punjab	23	2.7%
2	Haryana	21	2.5%
3	Rajasthan	33	3.9%
4	Delhi	12	1.4%
5	Jammu and Kashmir	480	56.5%
6	Chandigarh	1	0.1%
7	Bihar	13	1.5%
8	Odisha	13	1.5%
9	West Bengal	20	2.4%
10	Gujarat	46	5.4%

11	Chhattisgarh	12	1.4%
12	Madhya Pradesh	31	3.7%
13	Maharashtra	63	7.4%
14	Andhra Pradesh	25	2.9%
15	Unallocated	57	6.7%
Total		850 MW	100%

- vii. The present Draft PPA will help in meeting the load profile of the Petitioner as per the Power Supply Deficit scenario at a reasonable cost on a long-term basis.
- viii. Moreover, the present project will contribute towards meeting the Hydro Power Obligations (HPO) of the Petitioner in accordance with the MOP's notification dated 20.10.2023, which has also been substantially incorporated into this Hon'ble Commission's Regulations.
- ix. The Tariff for Hydro projects typically decreases after 12-14 years on account of payment of loan, reduced depreciation, etc., which becomes more competitive for long term. Therefore, from a long-term perspective as well, this project is expected to benefit the consumers of the Union Territory of Chandigarh.
- x. The Central Electricity Authority has carried out assessment and prepared Resource Adequacy plan for various states including Union territory of Chandigarh till FY 2034-35 and thus concluded that Union Territory of Chandigarh may contract the following capacities (planned and additional) per year to meet its demand reliability along with fulfilment of its RPO as notified by MoP.

FY	Coal	Gas	Hydro	Wind	Solar	Nuclear	DRE	STOA	Total
2024/25	89	43	313	40	0	38	22	108	655
2025/26	89	43	353	45	5	43	32	82	693
2026/27	89	43	353	45	45	43	42	85	746
2027/28	89	43	353	45	45	43	53	96	768
2028/29	89	43	353	45	45	43	64	108	791
2029/30	89	43	353	45	45	43	75	121	815

2030/31	89	43	353	45	45	43	86	135	840
2031/32	89	43	353	45	45	43	97	147	863
2032/33	89	43	353	45	45	43	108	159	886
2033/34	89	43	353	45	45	43	120	173	912
2034/35	89	43	353	45	45	43	132	191	942

- xi. On the issue of tariff, it is believed that the indicative tariff for Ratle-850 MW will be around **Rs. 3.92/unit**, which is a competitive rate when compared to other similar sources of energy. However, the same shall be determined by Hon'ble Central Electricity Regulatory Commission in accordance with EA, 2003.
- d. In terms of the above facts and circumstances, the Chandigarh Power Distribution Limited and Ratle Hydroelectric Power Corporation Limited are seeking approval of this Hon'ble Commission in terms of Section 62, 86(1)(b) and 86(1)(e) of the Electricity Act, 2003 read with Regulation 60 of the Joint Electricity Regulatory Commission (Conduct of Business) Regulations, 2009.
3. The petition was heard on 11.11.2025. The Commission after hearing admitted the Petition. The Respondent stated that it has no objection and accords its consent to the Petition filed by the Petitioner seeking approval of the Power Purchase Agreement.

Analysis and Decision

4. NHPC Ltd with various previous communications including a letter dated 02.06.2022 to Chief Engineer (Engineering), Chandigarh had sought consent for procurement of Hydro power from upcoming projects being developed by NHPC, its JV & Subsidiaries. The Executive Engineer, Chandigarh, vide letter dated 25.07.2024 had consented for procurement of 20 MW power from Rattle Hydro power plant. Thereafter vide letter dated 30.08.2024 forwarded a draft PPA for execution between RHPCL (a joint venture Company of NHPC Ltd and JKSPDCL) and UT Chandigarh.
5. In the meanwhile, by virtue of the Chandigarh Electricity Reforms Transfer Scheme, 2025 the Electricity Distribution business of Electricity Wing of Engineering Department

of Administration of Union Territory of Chandigarh (EWEDC) was transferred to Chandigarh Power Distribution Ltd (CPDL the present Petitioner) with effect from 01.02.2025. In light of the transfer scheme and subsequent transfer of distribution business of Electricity Department, the petitioner is mandated to enter into Power Purchase Agreement with various generating stations, including RHPCL. In view thereof, NHPC vide letter dated 11.03.2025, had shared the draft PPA prepared in line with the MoP Guidelines with the Petitioner and requested Petitioner to accord its consent and subsequent execution.

6. Subsequently, the MOP, vide Notification No. 11/29/2023 (part)- NHPC dated 15.04.2025 allocated the power inter alia from Ratle-850 MW to the constituent States/ Union Territories wherein the Union Territory of Chandigarh was allocated power of 1 MW out of the total capacity of 850 MW. As per aforesaid notification the percentage of allocation will be operative for actual dispatch of power i.e, after reduction of auxiliary consumption, planned outage forced outage and as per availability of water.

7. Further, the afore said notification inter alia stipulate following conditions;

“4 The above allocation will further be subject to the following:

i. Power Purchase Agreements (PPAs) between NHPC Ltd. And State Power Utilities/Union Territory (UT/DISCOMs.

ii. Tariff determination by CERC

iii. Beneficiary State(s)/UT(s) ensuring compliance with the financial and commercial terms including coverage for letter of credit or any other agreed payment security mechanism as stipulated in the tripartite agreement/bipartite agreement/PPA between the parties.

iv. Tariff notification and/or any other directive(s) guideline(s) in regard to supply of power by central generating stations issued by Government of India and CERC from time to time.”

8. During hearing on 11.11.2025 the Commission had raised a query whether the CERC has determined the tariff or not. Both parties agreed that none of the parties have approached CERC yet for determination Tariff. On the issue of tariff, the respondent submitted that the indicative tariff for Ratle-850 MW will be around Rs. 3.92/unit,

which is a competitive rate when compared to other similar sources of energy. However, the same shall be determined by CERC in accordance with Electricity Act, 2003. RHPCL is a joint venture between NHPC & Jammu and Kashmir State Power Development Corporation Ltd (JKSPDCL).

9. It is also observed that firm power from Ratle (850MW) has also shares of allocation to other states. The Electricity Act, 2003 as well as the allocation of power Notification, dated 15.04.2025 has mandated that the CERC shall determine the tariff. The Central Generating Company has not even filed a petition with CERC for determination of Tariff for the project so far.
10. The Commission is of the considered view that the petition is premature and it shall neither be prudent nor in the interest of consumers to approve any power purchase agreement without its Tariff determination by Appropriate Commission. The Petitioner is directed to file the petition afresh once the Tariff for the project is determined by CERC.
11. The instant petition is disposed of accordingly.

Sd/-
Jyoti Prasad
Member (Law)

Sd/-
Alok Tandon
Chairperson

Certified Copy



(Rajesh Dangi)
Secretary I/c

Place: Gurugram, Haryana
Date: 19th, December, 2025.

