

**IN THE JHARKHAND STATE ELECTRICITY REGULATORY
COMMISSION AT RANCHI**

Case No. 18 of 2025

Jharkhand Bijli Vitran Nigam Limited (JBVNL)..... Petitioner

CORAM: HON'BLE MR. MAHENDRA PRASAD, MEMBER (LAW)

HON'BLE MR. ATUL KUMAR, MEMBER (TECHNICAL)

For the Petitioner: - Mr. Ravishankar Kumar, Sr. Manager (PP.), JBVNL

Date – 11th July, 2025

1. The instant Petition has been filed by the Petitioner-Jharkhand Bijli Vitran Nigam Limited (JBVNL) under section 86(1)(b) of the Electricity Act 2003, for the approval of Power Purchase Agreement between JBVNL and PTC India Limited for the purchase of 0.546 MW of power from Kurichhu Hydro Electric Power Station (KHPS) in Bhutan.
2. The Prayers of the petitioner-JBVNL are as under: -
 - (i) To admit the Petition for approval of PPA between JBVNL and PTC for 0.546 MW power or as amended from Kurichhu HPS in Bhutan as per allocation order issued by ERPC.
 - (ii) To pass such other order(s) as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice.

The factual matrix of the case as submitted by the petitioner may be appreciated in the following manner:

Submission of the Petitioner

3. The representative of the Petitioner submitted that the Government of India (GoI) and Royal Government of Bhutan by the agreement dated 18.02.1994 have inter alia agreed to sell the surplus power available from the Kurichhu HPS to the Government of India and the GoI agreed to purchase all the surplus power from KHPS. The aforesaid agreement was signed between PTC, WBSEDCL and DVC in which the tariff for purchasing of power from the Kurichhu HEP has been fixed for 35 years @ INR 1.75 per unit along with trading margin charge of PTC @0.05 paisa per unit.
4. It was submitted that GoI has designated M/s PTC India Limited as a Nodal Agency for transfer of power generated by Kurichhu HPS and accordingly PTC has entered into an agreement on 31.08.2002 for sale/purchase of surplus power from Kurichhu HEP.
5. It was submitted that an agreement was executed on 14.08.2009 between PTC and WBSEDCL & DVC in which trading margin was Rs 0.04./kWh as per the direction of CERC. Further, on 22.12.2011 an amendment was made in the agreement executed between the PTC and WBSEDCL & DVC in order to incorporate the decision of GoI and Royal Govt. of Bhutan to merge the tariffs of Kurichhu HPS with the prevalent tariff of Tala HEP w.e.f 01.01.2008 and thereafter, every time the Tala tariff is revised, the

Kurichhu tariff will also stand automatically revised.

6. It was pointed out that GOI decided that the Indian portion of 132 KV Deothang (Bhutan) - Rangia (Assam) transmission line, to improve the reliability of evacuation of power from Kurichhu HEP shall be handed over to Power Grid for operation and maintenance and operation and maintenance charges would be intimated by Power Grid in advance to PTC, and PTC would collect the same from the ultimate buyers i.e. bulk buyer/consumer. Accordingly, an amendment in the agreement was executed on 22.12.2012.
7. It was apprised that ERPC vide letter No. 1456 dated 15.02.2023 and 1538 dated 27.02.2023 intimated that reallocation of power of Central Generating Stations of Eastern Region and Bhutan HPS upon uniform allocation of unallocated power among ER beneficiaries from Eastern Region has been done as per the directives of CEA and Ministry of Power and it was mentioned that beneficiaries would be required to sign / extend PPA and enter into commercial arrangements / maintain LC with the allocated power. In pursuance to that JBVNL got allocation for Kurichhu HEP 0.546 MW (0.909925 %) as per PTC letter no 2223 dated 18.07.2024.
8. It was submitted that the National Load Dispatch Centre (NLDC) was entrusted with the responsibility for coordination of scheduling, monitoring and controlling the operation of the power system and its parameters such as voltage, frequency, active and reactive power flows for cross border trade of electricity with neighboring of India. Similarly, ERLDC and NERLDC has the above responsibility for power flow in the Eastern Regional Grid and Northeastern Regional Grid respectively.
9. It was also submitted that PTC India Limited has been raising Bill of Supply for the supply of power from Kurichhu HEP to JBVNL at a rate Rs. 2.28 per kWh including trading margin charge of 0.04 paise/kWh. PTC India Limited has also been raising bill to JBVNL for Operation and Maintenance of Deothang-Rangia Transmission Line from PGCIL to JBVNL in proportionate to the allocation of power to JBVNL.
10. It was submitted that the present Power Purchase Agreement is on the same terms and conditions and tariff as scheduled between PTC and original beneficiaries of the Kurichhu HEP i.e. West Bengal and DVC.
11. It was reiterated that PTC undertakes to sell and Bulk Power Customer(s) undertakes to purchase the surplus power from Kurichhu HEP in Bhutan as per the share allocation made by Govt. of India/ERPC from time to time on the same terms and conditions specified in the Power Purchase Agreement dated 02.08.2002 and its Amendment No. 1 dated 14.08.2009, Amendment No.2 dated 21.12.2011 and Amendment No.3 dated 22.12.2012; signed between PTC and WBSEDCL & DVC.
12. It was submitted that this Agreement shall be deemed to have come into force with effect from the date of allocation order dated 15.02.2023 from ERPC and shall remain valid and operative as per the share allocation of

Kurichhu power as decided by MoP/Gol from time to time.

13. It was submitted that the billing will be done on weekly and monthly basis, having rebate @ 1.25 paise/unit for payment within 7 working days of presentation on bills by PTC, however the late payment surcharge will be payable after 30 days @ 1.25% per month and part thereof and JBVNL will have to maintain LC as per the condition/Agreement of power from Tala HPS.

Commission's observation and findings

14. The Commission has considered the submissions made by the petitioner and perused the materials available on records.
15. Under section 86(1)(b) of the Electricity Act, 2003, the State Commission has the responsibility to regulate the electricity purchase and procurement process of distribution licensees. The relevant Section of the Electricity Act, 2003 reads as under:-
- “Section 86 Function of State Commission:- (1) The State Commission shall discharge the following functions, namely:-*
- (b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;*
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16. It is evident from the above that under section 86(1)(b) of the Act, the distribution licensee is obligated to get the Power Purchase Agreement, approved by the Commission.
17. The Commission also observed that in the instant PPA filed for approval, the re-allocation of power from Kurichhu HPS has been done by ERPC as per the directives of CEA and Ministry of Power and after the reallocation, JBVNL got 0.546 MW power at a tariff similar to that of Tala HEP and PTC would shall be charging a transaction/trading margin of 4paise/kWh.
18. It is also observed that the present Power Purchase Agreement is on the same terms and conditions and tariff as scheduled between PTC and original beneficiaries of the Kurichhu HEP i.e. West Bengal and DVC.

ORDER

19. Considering the facts and circumstances of the case as discussed above herein, the prayers of the petitioners are hereby allowed. The Commission hereby approves the PPA for procurement of 0.546 MW of power from Kurichhu Hydro Electric Plant in Bhutan.
20. The petition stands disposed off, accordingly.

Sd/-

Member (T)

Sd/-

Member (L)