

**BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION AT
PANCHKULA**

HERC/Petition No. 23 of 2026

**Date of Hearing : 29.04.2026
Date of Order : 30.04.2026**

In the Matter of

Petition under Section 86(1)(b) of the Electricity Act, 2003 read with Haryana Electricity Regulatory Commission (Conduct of Business) Regulations, 2019 seeking- (1) approval of source for procurement of 250MW/ 500MWh Standalone Battery Energy Storage System (BESS) to be set up in the State of Haryana; and (2) approval of the back-to-back 'Battery Energy Storage Sale Agreement' (BESSA) to be entered between SJVN Limited, acting as an intermediary procurer and the Petitioner herein.

Petitioner

Uttar Haryana Bijli Vitran Nigam Ltd. (UHBVNL)

Respondent

SJVNL Limited

Present on behalf of the Petitioner

1. Mr. Raghujeet Madan, Advocate
2. Ms. Aerika Singh, Advocate
3. Mr. Lovepreet Singh, Advocate

Present on behalf of the Respondent

1. Mr. Ajitesh Verma, Advocate
2. Mr. Divankur Choudhary, Sr. Manager

Quorum

**Shri Nand Lal Sharma
Shri Mukesh Garg
Shri Shiv Kumar**

**Chairman
Member
Member**

INTERIM ORDER

1. The case was taken up for hearing on 29.04.2026, as scheduled, in the courtroom of the Commission.
2. At the outset, Mr. Ajitesh Verma, advocate for M/s. SJVN Limited, requested to be impleaded in the matter, which was not objected by the petitioner.
3. Upon hearing the petitioner, the Commission observes that the bidding process for procurement of 250 MW / 500 MWh Standalone Battery Energy Storage System (BESS) was conducted by SJVN Limited. In view thereof, the Commission is of the considered opinion that SJVN Limited is a necessary party to the present proceedings and ought to be impleaded as a respondent. Accordingly, the petitioner is directed to serve a copy of the petition upon SJVN Limited. SJVN Limited may, if so desires, file

its reply within one week from the date of issuance of this order, with an advance copy to the petitioner.

4. The Commission notes the submissions of the representatives of SJVN Limited that it has filed a separate petition before this Commission seeking adoption of the tariff discovered through the competitive bidding process conducted for procurement of 250 MW / 500 MWh BESS, which may be listed along with the present petition. Accordingly, the Commission directs the Registry to list the said petition along with the present petition for hearing.
5. Further, Uttar Haryana Bijli Vitran Nigam Limited (UHBVNL) is directed to provide the following information/documents on affidavit within one week from the date of issuance of this order:

- a) A detailed explanation of Minimum Average Availability vs Minimum Dispatchable Capacity:

Under Clause 4.6.2(i) of the BESS Purchase Agreement, the BESS Developer (BESSD) must guarantee that the system is ready to charge and discharge at least 95% of the time on a monthly basis. Liquidated damages for shortfalls are set at twice the capacity charges for the unavailable capacity. Whereas, Clause 4.6.2(iii) of the ibid agreement, provides for Minimum Dispatchable Capacity (97.50% and reducing).

- b) Trading Margin and Payment Security Mechanism (PSM):

The trading margin payable to SJVN Limited, acting as an intermediary procurer for BESS projects, is stated to be Rs. 0.07/kWh. The Central Electricity Regulatory Commission has provided that in the event of failure to establish an effective escrow or payment security mechanism, the trading margin shall be capped at Rs. 0.02/kWh. Accordingly, the petitioner shall clarify whether any undertaking has been obtained from SJVN Limited to provide such effective escrow or payment security mechanism while fixing the trading margin at ₹0.07/kWh.

Further, 'Guidelines for Procurement and Utilization of Battery Energy Storage Systems as part of Generation, Transmission and Distribution assets, along with Ancillary Services' notified by the 'Ministry of Power' on 10.03.2022, provides as under:-

"G. CONTRACT AWARD AND CONCLUSION

4. The Intermediary Procurer shall enter into the Battery Storage Purchase Agreement (BESPA) / Power Purchase Agreement with the Developer(s) and enter into a Battery Storage Sale Agreement (BESSA) /Power Sale Agreement with the distribution licensee(s)/ consumer(s). The BESSA shall contain the relevant provisions of the BESPA on a back-to-back basis. The Intermediary Procurer shall

be entitled to charge trading margin of seven paise/kWh or 0.5% of the Capacity Charges (as applicable) from the Buying entity / Procurer for purchase and sale of such energy/capacity.”

In view of the above, the petitioner need to give justification of agreeing to the trading margin of Rs. 0.07/kWh. The petitioner also need to clarify whether trading margin is inclusive of GST.

c) Justification for Bidding through SJVN Limited:

Justification for conducting the bidding process through SJVN Limited instead of undertaking the same independently, particularly in light of the additional trading margin involved.

d) Viability Gap Funding (VGF) Clarification:

A detailed clarification regarding receipt of Viability Gap Funding (VGF) by the BESS provider, including whether the impact of VGF has already been factored into the discovered tariff of Rs. 1.97 lakh/MW/month. The petitioner shall also clarify whether VGF is admissible on a rental basis or is applicable to the capital cost of procurement.

e) Calculation of Expected Cost of Storage per kWh:

A detailed computation of the expected cost of storage per kWh.

f) Lease Rent Payable to HPGCL:

Clarification as to whether any lease rent is payable to Haryana Power Generation Corporation Limited for installation of the BESS on its land.

6. The copy of this order shall also be sent on email to SJVNL Limited (sjvn.reia@sjvn.nic.in and adarsht912003@gmail.com).
7. The case shall be listed for arguments on 14.05.2026.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 30.04.2026.

Date: 30.04.2026
Place: Panchkula

Sd/-
(Shiv Kumar)
Member

Sd/-
(Mukesh Garg)
Member

Sd/-
(Nand Lal Sharma)
Chairman