

CE/PP/NCE/RPO/ No 37680

Date: 22 DEC 2016

To,

The Secretary,
Maharashtra Electricity Regulatory Commission,
13th Floor, Centre No.1, World Trade Centre,
Cuffe Parade, Colaba,
Mumbai - 400 005.

MERC		
Inward No: 41143	Date 23/12/16	
Chairman	Member	Member
Secretary	Dir (EE)	Dir (T)

Sub: Suo-motu proceeding for Verification and Compliance of Renewable Purchase Obligation targets of MSEDCL for FY 2015-16, as specified under MERC (Renewable Purchase Obligation, its compliance and Implementation of REC framework) Regulations, 2010 Case No. of 2016.

Ref: MERC Notice No. MERC/RE Cell/RPO/2015-16/00314 dated 02.11.2016

Sir,

With reference to above subject and notice under reference please find enclosed herewith the submission of MSEDCL for Verification and Compliance of Renewable Purchase Obligation targets of MSEDCL for FY 2015-16, as specified under MERC (Renewable Purchase Obligation, its compliance and Implementation of REC framework) Regulations, 2010

Submitted for your further needful please.

Thanking you,

Yours faithfully,

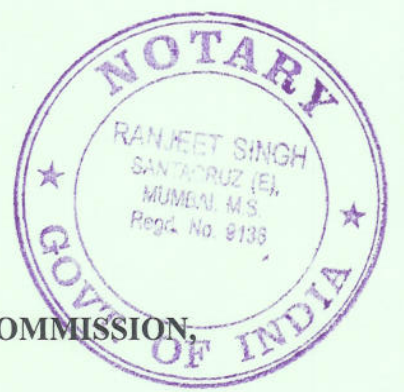
Bhugant
Chief Engineer (Power Purchase)

Copy s.w.r. to:

1. The Director General,
Maharashtra Energy Development Agency, 2nd floor,
MHADA Commercial Complex, Opp. Tridal Nagar, Yerwada, Pune-411 006
2. The Executive Director (Dist. I/ Commercial), MSEDCL, Mumbai.

Copy f.w.c.to:

The Chief Engineer,
Maharashtra State Load Despatch Centre, Airoli, kalwa, Thane,



BEFORE MAHARASHTRA ELECTRICITY REGULATORY COMMISSION,
Case No. of 2016

In the matter of

Suo-motu proceeding for Verification and Compliance of Renewable Purchase Obligation targets of MSEDCL for FY 2015-16, as specified under MERC (Renewable Purchase Obligation, its compliance and Implementation of REC framework) Regulations, 2010

Affidavit

I, Paresh Ramchandra Bhagwat, Aged 44 years, having my office at Maharashtra State Electricity Distribution Co. Ltd., Prakashgad, Plot No.G-9, Anant Kanekar Marg, Bandra (East), Mumbai-400 051 do solemnly affirm and say as follows :-

I am the Chief Engineer (Power Purchase) of Maharashtra State Electricity Distribution Co. Ltd., the Respondent in the above matter and am duly authorized to make this affidavit.

The averments made in the enclosed reply in the matter are based on the information received from the concerned officers of the Company and I believe them to be true.

I solemnly affirm at Mumbai on this 22 Day of Dec - 2016 that the contents of this affidavit are true to my knowledge, no part of it is false and nothing material has been concealed there from.

Chief Engineer (Power Purchase)
MSEDCL

Identified before me

BEFORE MAHARASHTRA ELECTRICITY REGULATORY COMMISSION,

MUMBAI

Case No. ---of-----

IN THE MATTER OF

Suo-motu proceeding for Verification and Compliance of Renewable Purchase Obligation targets of MSEDCL for FY 2015-16, as specified under MERC (Renewable Purchase Obligation, its compliance and Implementation of REC framework) Regulations, 2010

WRITTEN SUBMISSION

BY MAHARASHTRA STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED,
MUMBAI.

Pursuant to the directives issued by the Hon'ble Commission vide its Notice No. 00914 dated 2nd November 2016 (Received on 08.11.2016); MSEDCL is filing this Written Submission.

The point-wise reply is submitted as under:

- a) MSEDCL should verify the RPO settlement details for FY 2015-16, as submitted by MEDA, (copy attached as Annexure with this letter) and highlight discrepancies, if any, along with proper justification.***

It is respectfully submitted that, MSEDCL, vide letter dated 01.08.2016, has submitted the RPO Compliance Report for FY 2015-16 in the prescribed format to MEDA and MERC. The compliance of RPO was computed on the basis of monthly Gross Energy Consumption (GEC) at G<>T interface (aggregated annually) as informed by MSLDC during FY 2015-16.

It is respectfully submitted that the data considered for RPO compliance by MEDA is not in order and needs to be corrected for the following reasons:

Change in GEC value:

- 1) MSEDCL has prepared RPO Compliance for the FY 2015-16 on the basis of GEC submitted by MSLDC which was further submitted to the MEDA vide letter dated 01.08.2016.
- 2) MSEDCL has considered the GEC as 119233 MU as per MSLDC report



but MEDA has considered the GEC as 119186 MU (probably as per MSLDC report received by them later on).

- 3) As per confirmation received from MSLDC on 12.12.2016, necessary corrections are made in MSEDCL's RPO compliance calculations considering the revised GEC of 119186 MU. The details are submitted at para 16 given below.

Necessity for exclusion of Open Access Consumption:

- 4) The GEC submitted by MSLDC to MSEDCL/MEDA is inclusive of the energy consumption by Open Access consumers of MSEDCL. Therefore, to determine the actual GEC of MSEDCL, Open Access consumption ought to be deleted. The total open access consumption for FY 15-16 was 7396 MU (Conventional Open Access 6900 MU, Wind+ Solar+ Small Hydro Open Access 495 MU). Thus, the actual GEC of MSEDCL (excluding OA Consumption) is 111789 MU.
- 5) It is pertinent to mention that the open access energy is the energy contracted and wheeled by open access consumers for their own use and it is not the consumption of MSEDCL. Further, the open access consumers are also obligated entities for meeting RPO targets separately. Thus, there can not be a double fulfillment of RPO for the same energy consumption.
- 6) MSEDCL had already raised this issue of necessity of exclusion of OA consumption from the GEC before MERC during verification of RPO compliance for FY 2013-14. The Hon'ble Commission had rightfully agreed to the same and had directed MEDA to exclude OA consumption from the GEC. Accordingly, the OA consumption was excluded from total GEC of MSEDCL during verification of RPO compliance of FY 2013-14 (MERC order dated 04.08.2015 in Case No. 190 of 2014) and further in FY 2014-15 (MERC order dated 14.09.2016 in Case No. 16 of 2016).
- 7) However, for FY 2015-16 MEDA has not excluded the OA consumption from total GEC without any valid justification and logic.
- 8) It is submitted that this action of MEDA is not in line with MERC order and has resulted into unnecessary increase in RPO target (in terms of MU) and corresponding increase in shortfall for MSEDCL and needs to be rectified.
- 9) After deduction of OA consumption units (Conventional + Non-Conventional), MSEDCL GEC should be considered as 111789 MU and accordingly, MSEDCL is in shortfall of 381 MUs in meeting the Non-Solar RPO target for FY 15-16 and shortfall of 158 MUs in meeting the Solar RPO target for FY 15-16.
- 10) It is submitted further that the OA energy injected into state



(MSEDCL) grid without deduction of applicable losses has been considered for exclusion from total GEC data.

Necessity for consideration of RE procurement of MSEDCL at G<>T interface:

- 11) It is submitted that since last two years GEC at Transmission periphery i.e. G<>T interface by grossing up for losses is being considered for verification of RPO compliance.
- 12) In this regard, during the RPO verification proceedings for FY 2014-15 MSEDCL had submitted that most of RE procurement data was at T<>D interface i.e. Distribution periphery and hence it was also necessary to consider the RE procurement and OA consumption also at Transmission periphery i.e. G<>T interface by grossing up for losses so that both data is compared at same level.
- 13) The Hon'ble Commission was pleased to accept the valid concerns raised by MSEDCL and considered the MSEDCL RE procurement and OA consumption by grossing up for losses at Transmission periphery i.e. G<>T interface while passing the order dated 14.09.2016 in Case No. 16 of 2016.
- 14) In line with the above, MSEDCL has submitted the RE procurement data by grossing up for losses for verification of the RPO compliance for FY 2015-16. However, MEDA has considered the RE procurement data at T<>D interface only and not at G<>T interface, the same is not in line with MERC order dated 14.09.2016 in Case No. 16 of 2016.
- 15) It is submitted that MSEDCL RE procurement data should be considered at G<>T interface by grossing up for losses for verification of the RPO compliance for FY 2015-16. The MEDA report needs to be corrected to that extent.
- 16) In view of the above, it is humbly requested that the Hon'ble Commission may consider the RPO compliance submitted by MSEDCL vide letter dated 01.08.16 in order to determine the actual / realistic achievement of RPO targets.

The details of calculation of RPO compliance is given below.

Calculation of RPO compliance

I) Gross Energy Consumption (GEC): (as received from MSLDC)

Sr. No.	Particular	Gross Consumption	Average Percentage Grid loss throughout FY 15-16 (%)	MSEDCL Drawl (Loss adjusted)
1	MSEDCL GEC	114520	3.91%	119186

Loss Adjusted GEC

II) Open access consumption:

Sr. No.	Source	Open Access consumption before Loss (MU)
1	Non-Conventional Open Access	495
2	Conventional Open Access	6901
Total		7396

III) Net Gross Energy Consumption (Net GEC):

Sr. No.	Particular	MU
1	MSEDCL GEC for FY 2015-16 as per MSLDC (MU)	119186
2	Less OA (Conventional + Non-Conventional) (MU)	7396
3	Net GEC of MSEDCL (MU) for FY 2015-16	111789

IV) Non Solar RE procurement:

Sr. No.	Source	NCE data (at T<>D interface) MU	Average Percentage Grid loss throughout FY 15-16 (%)	NCE by adding grid loss (at G<>T interface) MU
1	Wind Generation (Deogad 10 MW)	0.769	3.91%	9121
1	Wind	4697		
2	Small Hydro:			
	a) SHP	150		
	b) MSPGCL(SHP), (Less mini-micro)	333		
	c) Dodson-1	49		
	Total SHP	533		
3	Co-gen (Bagasse + Biomass)	3410		
4	Municipal Solid West (MSW)	0.259		
5	Over injected Units (Wind + SHP)	123		
	Total Non-Solar Procurement	8764		
6	Mini Micro Hydro Procurement	0.872		
	Total	8765		9121

Non Solar & Mini Micro RPO Compliance: (FY 2015-16):

Particulars	Non Solar		Mini-Micro Hydro	
	MUs	%	MUs	%
Target	9502	8.5	19	0.20
Achievement	9121	8.16	0.92	0.0008
Shortfall FY15-16	381		18.08	

V) Solar procurement:

Sr. No.	Source	NCE data (at T<>D interface) MU	Average Percentage Grid loss throughout FY 15-16 (%)	NCE by adding grid loss (at G<>T interface) MU
1	Solar Procurement	376	3.91%	401
	Over injected Units (Solar)	9		
Total		385		401

Solar RPO Compliance: (FY 2015-16):

Particulars	Solar	
	MUs	%
Target	559	0.50
Achievement	401	0.36
Shortfall FY15-16	158	

Therefore, it is submitted that considering MSEDCL GEC 111789 MU, MSEDCL is in shortfall of 381 MUs in meeting the Non-Solar RPO target for FY 15-16 and shortfall of 158 MUs in meeting the Solar RPO target for FY 15-16 and shortfall of 18 MUs in meeting the Mini/Micro Hydro target for FY 15-16.

- b) **MSEDCL should submit the status of Solar RPO compliance as per the directives of the Commission vide Order in Case No. 180 of 2013 and Case No. 190 of 2014 along with detailed statement for project wise energy procurement in MUs from all Solar , Non-Solar including Mini-Micro Hydro generating projects and project wise contracted Solar , Non-Solar including Mini-Micro Hydro power capacity in MW during FY 2010-11 to FY 2015-16.**

Project-wise RE procurement (C. A. certified data) by MSEDCL for FY 2015-16 has been submitted to MEDA and MERC along-with RPO compliance report vide T. O. L. dated 01.08.2016.

Solar procurement:

Sr. No.	Source	NCE data (at T<>D interface) MU	Average Percentage Grid loss throughout FY 15-16 (%)	NCE by adding grid loss (at G<>T interface) MU
1	Solar Procurement	376	3.91%	401
	Over injected Units (Solar)	9		
Total		385		401

Solar RPO Compliance: (FY 2015-16):

Particulars	Solar	
	MUs	%
Target	559	0.50
Achievement	401	0.36
Shortfall FY15-16	158	

Cumulative Solar Shortfall:

FY	Solar Shortfall in MU	Remark
2010-11	212.26	MERC vide order dated 24.12.2012 allowed to meet Solar shortfall cumulatively upto FY 2015-16
2011-12	226.53	
2012-13	205.42	MERC vide order dated 12.03.2014 allowed to meet Solar shortfall cumulatively upto FY 2015-16
2013-14	281.75	MERC directed to create RPO Regulatory charges fund and permitted to procure RE/REC for meeting the shortfall by March 2016.
2014-15	275.85	MERC directed to create RPO Regulatory charges fund and permitted to procure RE/REC for meeting the shortfall by March 2017.
2015-16	157.81	
Total Cumulative shortfall	1359.6	

Cumulative Non-Solar (including Mini-micro Hydro) Shortfall:

FY	Non-Solar Shortfall in MU	Remark
2010-11	Nil	
2011-12	Nil	
2012-13	298.37	MERC vide order dated 12.03.2014 allowed to meet Non-Solar shortfall cumulatively upto FY 2013-14.
2013-14	779.76	MERC directed to create RPO Regulatory charges fund and permitted to procure RE/REC for meeting the shortfall 1078 MU (Cumulatively for FY 2012-13 + FY 2013-14).
2014-15	646.37	MERC directed to create RPO Regulatory charges fund and permitted to procure RE/REC for meeting the shortfall of FY 2014-15 by March 2017.
2015-16	381.37	
Total Cumulative shortfall	2105.87	

MSEDCL RE Contracted capacity as on 31.03.2016:

Sr. No.	Source of Renewable Energy	Contracted Capacity as on 31.03.2016 in MW
1	Wind	3022
2	Co-generation	1999.75
3	Biomass	211
4	Small Hydro	77.825
5	Solar	327
6	MSW	4
7	Mini/Micro Hydro	1.025
Total		5642.6 MW

RE procurement during FY 2010-11 to FY 2015-16:

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
	MUs	MUs	MUs	MUs	MUs	MUs
Bagasse	586	1396	1579	1908	2969	3090
Biomass	339	249	287	194	207	320
Small Hydro	55	144	172	196	157	151
Wind	2164	2625	3407	3855	4456	4697
Solar	1	11	37	257	311	383
MSW					0.438	0.259
Total	3146	4425	5482	6410	8099	8641

- c) **MSEDCL should submit detailed list of actions and efforts undertaken by it prior to and during FY 2015-16 to ensure compliance of RPO targets in respect of Solar RPO, Non-Solar and Mini/Micro Hydro RPO for FY 2015-16.**

Efforts taken for meeting Non-Solar RPO target:

MSEDCL has always encouraged RE generation in the State and has executed long term EPAs with all the renewable (non-solar) generators approaching MSEDCL at preferential tariff in line with the terms and conditions specified by the Hon'ble Commission from time to time. MSEDCL has executed Long Term EPA to the tune of 5501 MW (including MSPGCL Small Hydro and Dodson-I:-185 MW) capacity with Projects holders at MERC preferential tariff rate.

Efforts taken for meeting Solar RPO target:

MSEDCL has executed long term power purchase agreements for the total capacity 1327 MW as on date to meet the solar target from FY 2010-11 onwards under various schemes of MNRE, GoI and with MSPGCL.

During FY 2015-16, 50 MW solar power projects are commissioned under JNNSM Phase-II (Batch-I) scheme and by the end of FY 2016-17, around 500 MW solar capacity (SECI) is expected to be commissioned.

It is further submitted that, the following three solar parks (3 X 500 MW) are being developed in Maharashtra as per approval accorded by MNRE under the MNRE's scheme for "Development of Solar Parks & Ultra Mega Solar Power Projects".

- 
- a) 500 MW Solar Park by Mahagenco at Dondaicha Dist. Dhule
 - b) 500 MW Solar Park by Pragat Akshay Urja (renamed as Sai Guru Mega Solar park) in Dist. Dhule
 - c) 500 MW Solar Park by K.P. Power (renamed as Paramount Solar power Pvt. Ltd) at Patoda Dist. Beed

MSEDCL has given consent for purchase of 82% of 20% solar power (GoM Obligation) from these 3 solar parks in Maharashtra i.e around 240-250 MW.

The GoM RE Policy-2015 envisages 7500 MW Solar capacity addition in coming 5 years. Around 2500 MW projects will be developed by MSPGCL under PPP mode. Out of the above, MSPGCL is now developing a 500 MW solar power project on EPC basis. As per GoM G.R. dated 03.12.16, MSEDCL is required to purchase this solar power. The project is expected to be commissioned in FY 2017-18. MSEDCL shall purchase the solar power required for fulfilling the RPO target from MSPGCL at MERC preferential tariff. Rest 5000 MW will be purchased, as per RPO requirement, through Competitive Bidding as mandated by GoM RE Policy 2015.

Also as per the MNRE program, 4700 MW grid connected solar rooftop projects will be installed in the state upto 2022. The power from these projects will be counted against Solar RPO. It is expected that Solar Rooftop installation will accelerate in next two years.

Recently, the MNRE has proposed a scheme for "Setting up of 10000 MW decentralized generation of solar energy projects by farmers by 2019-20". Out of above, installation of 1197 MW capacity is expected in the state.

It is further submitted that, MSEDCL is purchasing solar power from all those solar projects which have participated in various schemes of Government of India and Jawaharlal Nehru National Solar Mission / National Solar Mission.

Efforts taken to meet Mini-micro Hydro RPO Target:

Hydro Projects having capacity below 1 MW are Mini / Micro Hydro projects. Currently, there are only 3 projects commissioned under this category namely, Shahnoor (0.75 MW), Yeoteshwar (0.075 MW) and Terwanmedhe, MSPGCL (0.2 MW). The first two are Government Projects and are very old projects. The power is procured from them as per MERC SHP tariff order dated 09.11.2005 and MERC RE tariff order dated 14.07.2010.

MSEDCL is willing to execute the long term EPA with the Mini/ Micro project holders in order to fulfill mini micro RPO target, as and when they

approach. However, no capacity addition has taken place during FY 2014-15 and till date and perhaps the same scenario will continue to exist in near future.

Hence, the Hon'ble Commission is requested to consider the ground realities and cancel the separate categorization of Mini/Micro Hydro RPO target.

c) MSEDCL should submit the details for long term RE procurement plan for meeting the year wise RPO targets for FY 2016-17

It is submitted that, MSEDCL has contracted sufficient renewable power for meeting the RPO targets for FY 2016-17. The details are as below:

Source	Contracted Capacity as on 31.03.16 MW	Commissioned Capacity as on 31.03.16 MW	Expected Capacity addition in FY 16-17 MW	CUF/ PLF %	Expected generation in MU in FY 16-17
Wind	3022	3022	206 (FY 14-15) + 347 (FY15-16) + 2 (FY 16-17)=555	20%	6267
Bagasse Cogen	1999.75	1819.85	179	60% (240 days)	5183
Biomass	211	157	0	80%	1100
Small Hydro	77.825	76.875	13	30%	202
MSW	4	4	0	-	-
Mini/Micro Hydro	1.025	1.025	0	30%	5
Total	5315.6	5080.75	739		12757

MSEDCL has principally decided to execute all the pending EPAs with wind power projects (553 MW) which are commissioned in FY 2014-15 (347.15 MW) & FY 2015-16 (205.85 MW). Therefore, around 1204 MUs will be available for procurement as RE.

It is to submit further that, the estimated GEC of MSEDCL for FY 16-17 will be around 114000 MU. To fulfill the 10% Non-Solar RPO target, around 10400 MU RE (excluding OA consumption) will be required.

Considering the CUF as specified by MERC/MEDA, around 12757 MU of RE is expected to be generated and procured by MSEDCL. Therefore, MSEDCL can easily meet RPO target for FY 16-17.

It is submitted further that if expected generation could not take place,

MSEDCL may consider option of purchase of RECs to fulfill RPO targets.

Need for Verification of RE potential in the state with regards to RPO target:

The following is submitted for the consideration of the Hon'ble Commission.

(A) The National Tariff policy provides as under:

6.4 Non-conventional sources of energy generation including Co-generation:

(1) Pursuant to provisions of section 86(1)(e) of the Act, the Appropriate Commission shall fix a minimum percentage for purchase of energy from such sources taking into account availability of such resources in the region and its impact on retail tariffs. Such percentage for purchase of energy should be made applicable for the tariffs to be determined by the SERCs latest by April 1, 2006.

It will take some time before non-conventional technologies can compete with conventional sources in terms of cost of electricity. Therefore, procurement by distribution companies shall be done at preferential tariffs determined by the Appropriate Commission.

(2) Such procurement by Distribution Licensees for future requirements shall be done, as far as possible, through competitive bidding process under Section 63 of the Act within suppliers offering energy from same type of non-conventional sources. In the long-term, these technologies would need to compete with other sources in terms of full costs.

(B) The Appellate Tribunal for Electricity in its order dated 14th Nov, 2013 in Appeal No. 265 of 2012 in the matter of M/s. BEST has held as under:

*a) The State Commission first fixed the Renewable Purchase Obligations without ascertaining as to whether power from Renewable Sources is available or not. **Para 6.4 (1) of the Tariff Policy requires the State Commission to ascertain that the power from Renewable Energy Sources is available in the region before fixing the Renewable Purchase Obligations. Accordingly, the Commission ought to have ascertained the availability of power from such sources at the approved rate.** Only, then, it should have directed the licensees that it would approve the power purchases cost from Renewable Energy sources at rate to be approved by the Commission in future. This was not done by the State Commission in the present case. The approach adopted by the State Commission was incorrect.*

(C) The Hon'ble Commission vide its MERC (RPO-REC) Regulations, 2010 has specified the RPO target from FY 2010-11 up to FY 2015-16 to be fulfilled by the obligated entities such as Discoms, CPP holders and Open Access Consumers.

However, it appears that while specifying the said RPO target, no special tools /data/measures were available to ascertain the actual availability / actual RE potential in the state.

At present the RPO compliance of all four Discoms namely MSEDCL, TPC, BEST and R- Infra is only being monitored through *suo-motu* proceedings by the Hon'ble Commission.

The GEC of the Discoms is increasing day by day in line with load growth and so also the RPO target. But, in line with the same, there is no sufficient capacity addition taking place in RE sector. Hence, since FY 2012-13 onwards shortfall is being observed in meeting the RPO target by the State utilities in general and MSEDCL in particular. It is observed that the other Discoms TPC, R-Infra & BEST are fulfilling their RPO target by purchasing RECs in addition to purchase of RE.


Accordingly, the RPO target needs to be reviewed and if there is no RE available for purchase by Discom, then the shortfall in meeting the RPO targets needs to be waived. Presently, as seen from the factual position there is no sufficient RE projects in state to cater the RE requirement of state Discoms for meeting RPO targets.

In view of the above, the shortfall needs to be waived off.

Summary:

In light of above, it is to submit that,

1. MSEDCL has taken all efforts by executing long term EPA's with all RE generators (except Solar), intending to exercise the sale to MSEDCL option to fulfill its RPO target on the basis of CUF/PLF as determined by MEDA / MERC.
2. In spite of the above, it is observed that, the RE generation available to MSEDCL is not as per expected CUF.
3. This proves that either the CUF projections are to be rationalized or the RE Generator's efficiency has to be improved.
4. If RE generator for whatever reasons including natural reasons beyond their control is not able to generate enough MU then MSEDCL can not be penalized as these so called natural reasons or inefficiencies of



generator are beyond control of MSEDCL also. MSEDCL may not be expected to increase the contracted capacity beyond its requirement. If MSEDCL contract more capacity and if entire capacity works at given CUF then MSEDCL will have to buy RE power more than required and this being costlier power will hurt consumer's interest.

5. Further, there is an increase in RE open access over the years. The open access consumers are availing cheaper power offered by wind power projects especially old projects. Besides, the RE generators can claim REC benefit on the quantum of renewable energy supplied under Open Access; over and above the cost of power supplied. Considering double benefits, RE Open Access is increasing. This has direct bearing on quantum of renewable energy available for purchase by MSEDCL.
6. Thus, it is humbly prayed that, the efforts of MSEDCL in fulfilling the specified RPO target, may be considered and appreciated in light of shortfall in RE generation, increase in GEC & RPO target, rise in RE Open Access quantum and all other constraints. Accordingly, the balance RPO target may be waived considering the various constraints and penal action may not be initiated against MSEDCL for shortfall.
7. Else, the compliance of RPO target may be considered on the basis of actual contracted RE capacity and not on the basis of the actual units injected.

Prayers:

In light of above and taking into consideration, the efforts taken by MSEDCL to meet RPO target, it is humbly prayed as under:

- i) The compliance of RPO target may be considered on the basis of actual contracted RE capacity and not on the basis of the actual units injected.
- ii) The shortfall may be waived in the interest of the common consumers.
- iii) MSEDCL has contracted more than sufficient quantum of RE power so as to meet the RPO target on the basis of CUF decided by MEDA and approved by MERC. However, there is shortfall in meeting RPO target due to short supply by RE generators vis-a-vis CUF. Hence, the Hon'ble Commission may direct MEDA to find out the reasons for shortfall (either the CUF projections are to be rationalized or the generator's efficiency has to be improved).
- iv) If RE generator for whatever reasons including natural reasons beyond their control is not able to generate enough MUs then MSEDCL can not be penalized as these so called natural reasons or inefficiencies of generator are beyond control of MSEDCL also. MSEDCL may not be expected to increase the contracted capacity beyond its requirement. If MSEDCL contract more capacity and if entire capacity works at given CUF then

MSEDCL will have to buy RE power more than required and this being costlier power will hurt consumer's interest.

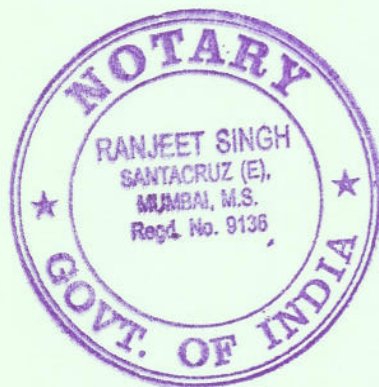
- v) The RPO target needs to be reviewed taking into consideration the simultaneous rise in GEC and actual RE potential in the State which is available for purchase by the utility.
- vi) It is submitted that, the Non-solar/ Solar RPO target of MSEDCL needs to be reduced to the extent of the quantum of renewable energy wheeled under Open Access.
- vii) It is requested not to impose penalty for non compliance of RPO and in case, if penalty is levied, MSEDCL may be allowed to recover the same from the RE generators rather than procuring REC and burdening the common consumers.
- viii) It is requested to cancel the separate categorization of Mini/Micro Hydro RPO target considering the ground realities.
- ix) To permit MSEDCL to make further submissions, addition and alteration to this submission as may be necessary from time to time.



Chief Engineer (Power Purchase)
MSEDCL

Place: Mumbai

Date: 22 DEC 2016



BEFORE ME

RANJEET SINGH
M.Sc.LL.B
NOTARY
MAHARASHTRA
GOVT OF INDIA
22 DEC 2016

