



JSW/2017-18/00021

Date:- 10/07/2017



12/7/17

Executive Director  
Dy Director (Balu Ugale)

JSW Steel Limited

Dolvi Works: Geetapuram,  
Dolvi, Taluka - Pen,  
Dist Raigad - 402 107, Maharashtra, India.  
CIN. : L27102MH1994PLC152925  
Phone : +91 2143 277501-15  
Fax : +91 2143 277533/42  
Website : www.jsw.in

To,  
The Secretary,  
Maharashtra Electricity Regulatory Commission,  
13<sup>th</sup> Floor, Centre no. 1,  
World Trade Centre, Cuffe Parade,  
Colaba, Mumbai 400 005.

Sub:- Notice dated 23<sup>rd</sup> June, 2017 issued to JSW Steel Ltd.

Respected Sir,

This is with reference to the notice issued to us dated 23<sup>rd</sup> June, 2017 bearing no. MERC/Case no. 101 of 2017/2017-18/3135 wherein information pertaining to compliance / non-compliance of Renewable Purchase Obligation [RPO] targets for FY 2010 -11 to FY 2013 -14 by obligated entities was called by you and in reply we have to state as under;

JSW Steel Ltd had approached Maharashtra Electricity Regulatory Commission (MERC) under section 61, 86(1)(e) and other applicable provision of Electricity Act of 2003 vide case no.134 of 2013 to adjudicate the RPO obligation for the relevant years wherein MERC has reserved the orders after hearing the parties and had also directed that no coercive action steps be taken during the pendency of the proceedings.

Copy of the MERC Record of Proceedings [ROP] reserving the order and the ROP wherein "no coercive action" direction was passed are attached herewith as **Annexure - "1 & 2"** for ready reference.



JINDAL Part of O.P. Jindal Group

Regd. Office: JSW Centre,  
Bandra Kurla Complex,  
Bandra(East), Mumbai - 400 051.  
Phone : +91 22 4286 1000  
Fax : +91 22 4286 3000

On the above reference we would like to place our self as below –

JSW steel Ltd. Dolvi is a company incorporated under the companies act, 1956 with its registered office located at JSW Centre, Bandra Kurla Complex, Bandra [East], Mumbai 400 051 and works at Geetapuram, Dolvi, Taluka Pen, District Raigad, Maharashtra, 402 107.

The company's works at Dolvi is the largest and only integrated steel plant in the state of Maharashtra, with installed capacity of 3 MTPA. The Unit has a significance presence in the state not only in terms of its contribution to the state revenue but also provides employment to nearly 8000 people, both direct and indirect.

The company, at its works Dolvi, having following Captive Power Plants, the details are as below –

1. Gas Expansion Turbine ( GET) : 6.5MW ( Differential Pressure Based)
2. CPP 53.5MW (from waste Gas).

**The Process of Gas Expansion Turbine is described as below -**

The primary source of fuel in the company's Iron making process is Coke and Coal. The heat energy of Coke and Coal is used in the Blast Furnace ( 2581 m<sup>3</sup> capacity) Metallurgical process to produce Iron and operates at pressure of 2.15 bar. The pressure of the Gas coming out of the Blast Furnace has energy generating potential. A Gas expansion turbine (GET) unit has been installed in the blast furnace to harness this exhaust gas pressure energy. This pressure energy of the exhaust gas is further converted into 6.5MW power through a mechanical turbine.

Similarly company also submits that the process adopted by it to generate 6.5MW of power from GET, qualifies as renewable source of energy. The application is similar to



the process adopted in windmill to generate power (without consumption of any exhaustible energy source).

**The Process of CPP 53.5MW (from waste Gas) is described as below -**

The company has also installed a Captive Power Plant having Capacity of 53.5MW. The heat energy of Coke and Coal is used in the blast furnace metallurgical process to produce Iron. During this process the exhaust flue gases which is having its own inherent heat capacity is utilized through boiler turbine generator route to produce 53.5MW power, which otherwise is a waste going to the atmosphere. This exhaust flue gas is having pressure of 1.4 bar and heat equivalent to 820 Kcal/Nm<sup>3</sup>. If the inherent heat capacity of this exhaust flue gases were not captured it could have been let out in the atmosphere causing environmental damages.

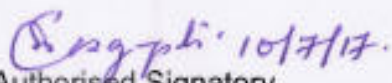
According to Section 2 (12) of Electricity Act 2003, this process fulfils the basic condition of Co-Generation as it simultaneously produces two forms of useful energy i.e. 1. Heat Energy from Coal & 2. Generation of Electricity from the inherent heat capacity of exhaust flue gases under the conditions of Bottoming Cycle, where the waste industrial heat is used for power generation by supplementing heat from any fossil fuel .

Pursuant to the above facts, we had filed a petition to MERC under section 61, 86(1) (e) and other applicable provisions of Electricity Act, 2003 read with MERC Regulations 2010 to extend us the benefits under the Renewable Purchase Obligations , its compliance and Implementation of REC framework.

In backdrop of the facts mentioned hereinabove, JSW submits the information required as in **Annexure 3**

Thanking you,

Yours sincerely,  
For, JSW Steel Ltd.

  
Authorised Signatory.  
S.Dasgupta ( Head Utilities)

Encl:- 1. Annexure 1  
2. Annexure 2  
3. Annexure 3.

## Annexure - 1

Before the  
**MAHARASHTRA ELECTRICITY REGULATORY COMMISSION**  
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400 005.  
Tel. 022 - 22163964/65/69 Fax. 022 - 22163976  
Email: [mercindia@merc.gov.in](mailto:mercindia@merc.gov.in)  
Website: [www.merc.gov.in](http://www.merc.gov.in) / [www.mercindia.org.in](http://www.mercindia.org.in)

Case No. 134 of 2013

Dated: 3 November, 2015

**CORAM:** Shri. Azeez M. Khan, Member  
Shri. Deepak Lad, Member

In the matter of Petition filed by M/s JSW Steel Limited under Section 61& 86(1)(e) and other applicable provisions of the Electricity Act, 2003 read with MERC (Renewable Purchase Obligation, its compliance and Implementation of REC framework), Regulations 2010.

M/s JSW Steel Ltd. .... Petitioner

Vs

Maharashtra Energy Development Agency (MEDA) ..... Respondent

Maharashtra State Electricity Distribution Company Ltd. (MSEDCL)

Maharashtra State Electricity Transmission Company Ltd. (MSETCL) ..... Impleaded Parties

Present during the hearing:

For the Petitioner	:	Shri. Ramanuj Kumar, Advocate
For MEDA	:	Shri. P. C. Diwakar
For MSETCL	:	Shri. R. N. Farkade
For MSEDCL	:	Shri. P. H. Jambhulkar
Consumer Representative	:	Shri. Ashok Pendse (TBIA)

Daily Order

The Parties were informed of the Commission's decision to constitute a two Member Bench to hear and decide this Case. Parties gave their consent to further hearing of the matter as being in continuance of the earlier proceedings.

Heard the Advocate of the Petitioner and Representative of MEDA. The Petitioner made a submission on various promotional measures available under the Energy Conservation Act, 2001 for its technology deployed at Dolvi unit. Further, the Petitioner submitted that the MNRE

approval for the same is awaited. The Petitioner further clarified that it is not claiming its technology at Dolvi unit to be treated as a Renewable Energy. However, in order to promote such a technology, the Petitioner prayed for a suitable regulatory framework for the consideration of the electricity generated from such plants to offset the RPO of its group companies.

**The Case is reserved for Order.**

**Sd/-  
(Deepak Lad)  
Member**

**Sd/-  
(Azeez M. Khan)  
Member**



Before the  
**MAHARASHTRA ELECTRICITY REGULATORY COMMISSION**  
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400 005.  
Tel. 022 - 22163964/65/69 Fax. 022 - 22163976  
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Website: [www.merc.gov.in](http://www.merc.gov.in) / [www.mercindia.org.in](http://www.mercindia.org.in)

**Case No. 134 of 2013**

**Dated: 20 February, 2014**

**CORAM:** Shri Vijay L. Sonavane, Member  
Smt. Chandra Iyengar, Member

**In the matter of:**

**M/s JSW Steel Ltd.**

**..... Petitioner**

**Vs**

**Maharashtra Energy Development Agency (MEDA)**

**..... Respondent**

Advocate/ Representative (s) for the Petitioner : Shri J. J. Bhatt, Sr. Counsel  
Shri Abhimanyu Ghosh, Advocate  
Shri Ramanuj Kumar, Advocate

Advocate/Representative (s) for MEDA : Dr. J. V. Torane (Rep.)

**Daily Order**

Heard the Advocates of the Petitioner and a Representative of the Respondent. The Petition is admitted. The Petitioner is directed to implead MSETCL and MSEDCL as a party in this matter. Further, MSEDCL and MSETCL are directed to appear during the next hearing in this matter.

No coercive measures should be taken by MEDA during the pendency of the case.

Next date of hearing shall be communicated by the Secretariat of the Commission.

Sd/-  
(Chandra Iyengar)  
Member

Sd/-  
(Vijay L. Sonavane)  
Member

**Annexure 3**

**Name of Organization/Company :** JSW Steel Ltd., Dolvi Works

**Obligated Entities [ Tick ( ) the appropriate option ]:** Captive User (CPP); ) or Open Access Consumer: ( v)

**Name of the Distribution Licensee's Area :** MSEDCL, Pen Circle.

**For CPP :** Plant Installed Capacity (in MW): N.A., (Captive Use from Power Plant in MW: NA MW sale outside/third party (in MW) NA MW)

**For OA Consumer:** Contract Demand (in MVA) :----(Source : JSW energy Ltd., Ratnagiri, unit#3 & 4, Consumption location: Dolvi) (As per below given statement)

**Contact Demand (in MVA): ---- (Source : MSEDCL Consumption location : Dolvi)**

Financial year	Capacity	Total Energy Consumption	Solar RPO		Non Solar RPO		Total Energy to be procured as per RPO	Total RE procurement (Solar +Non Solar) (A+B)	Shortfall if any	Cumulative Shortfall		
			Solar RPO Target	Energy Actually procured against target (A)	Non Solar RPO Target	Energy Actually procured against target (B)						
MVA	MU	MU	Solar REC	Solar RE	MU	Non-Solar REC	Non-Solar RE	MU	MU	MU		
F.Y. 11-12	300.77	255.344	0.638	0	0	17.236	0	0	17.8741	0	17.8741	271.2862
F.Y. 12.13	300.77	1531.532	3.82883	0	0	118.69373	0	0	122.52256	0	122.52256	
F.Y. 13-14	260.77	1454.328	7.27164	0	0	123.61788	0	0	130.88952	0	130.88952	

