

BEFORE THE MAHARASHTRA ELECTRICITY REGULATORY
COMMISSION, MUMBAI

CASE NO. : 182 OF 2014

IN THE MATTER OF:

Petition for submission of Revised Network Rollout Plan in compliance to the direction of the Hon'ble Commission in Case No. 90 of 2014 and the direction of the Hon'ble ATE in Appeal Nos. 229 and 246 of 2012.

AND IN THE MATTER OF:

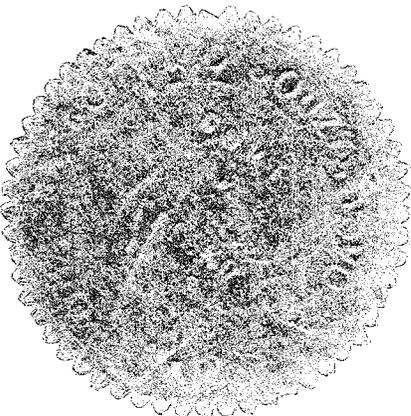
Tata Power Company Limited,
Bombay House, 24, Homi Mody Street,
Mumbai – 400 001

--- Petitioner

AFFIDAVIT VERIFYING THE FURTHER REPLY ON BEHALF OF BEST

I, Rajendra Dadaram Patsute, son of Dadaram Patsute, aged 48 years, having my office at BEST Bhavan, BEST Marg, Colaba, Mumbai – 400 001 do solemnly affirm and state as follows:

1. I am Chief Engineer (Regulatory) of the Brihanmumbai Electric Supply and Transport Undertaking of Municipal Corporation of Greater Mumbai (i.e. BEST). I am duly authorized and competent to make this Affidavit.



2. The statements made in the Reply, are based on information and / or record maintained by BEST in its usual course of business, which I believe to be true.

3. I say that there are proceedings pending before (i) Hon'ble APTEL under the Appeal No. 243 of 2014, and (ii) Hon'ble Supreme Court of India under the Civil Appeal No. 4074 of 2015 and the Civil Appeal (Diary) No. 11771 of 2015, wherein inter alia TPC and BEST are parties and wherein issues arising and / or relief sought are relevant to the issues arising in the present matter pending before the Hon'ble Commission.

Solemnly affirmed at Mumbai on this 07 SEP 2015 day of _____, 2015 that the contents of this affidavit are true to my knowledge, no part of it is false and nothing material has been concealed therefrom.

BEFORE ME

GREGORY W. D'SOUZA
ADVOCATE & NOTARY
Kalpak Estate Bldg. No. B-11,
Shop No. 40, Antop Hill
MUMBAI-400 037

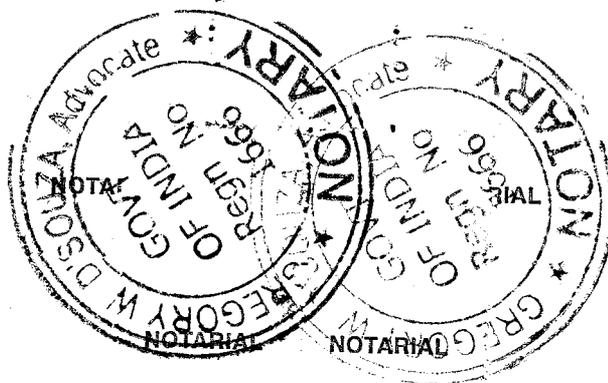

Deponent

07 SEP 2015

Identified before me

Place: Mumbai

Date: 07 SEP 2015



**BEFORE THE MAHARASHTRA ELECTRICITY REGULATORY
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Petition for submission of Revised Network Rollout Plan in compliance to the direction of the Hon'ble Commission in Case No. 90 of 2014 and the direction of the Hon'ble ATE in Appeal Nos. 229 and 246 of 2012

AND IN THE MATTER OF:

Tata Power Company Limited,
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Mumbai – 400 001

--- Petitioner

FURTHER REPLY ON BEHALF OF BEST

1. At the outset, BEST denies each and every averment made in the Additional Submissions of Tata Power Co. Ltd. (i.e. TPC) filed on 19.08.2015 and 02.09.2015, which is contrary to or inconsistent with that which is stated herein, and humbly submits that nothing in the said Additional Submissions of TPC be deemed to be admitted by or on behalf of BEST, for want of specific traverse. BEST clarifies that the averments and submissions made herein are in alternative and without prejudice to one another. BEST also craves leave to file an Additional Affidavit, if necessary.



2. At the further outset, it is clarified that BEST has already filed its Reply dated 29.07.2015 and Additional Reply dated 11.08.2015 in this Case No. 182 of 2014. BEST reiterates that the contents of the said Reply and Additional Reply, and submits that the same be deemed to be and are part of this Further Reply. In that regard, BEST craves leave to refer to and rely upon the said Reply and Additional Reply, if necessary.

3. Also at the outset, BEST clarifies that there are proceedings pending before (i) Hon'ble APTEL under the Appeal No. 243 of 2014, and (ii) Hon'ble Supreme Court of India under the Civil Appeal No. 4074 of 2015 and the Civil Appeal (Diary) No. 11771 of 2015, wherein inter alia TPC and BEST are parties and wherein issues arising and / or relief sought are relevant to the issues arising in the present matter, as already stated earlier in the aforesaid Reply and Additional Reply filed by BEST. BEST states that the above (i) Appeal No. 243 of 2014 is pending hearing and final disposal before the Hon'ble APTEL, (ii) Civil Appeal No. 4074 of 2015 and Civil Appeal (Diary) No. 11771 of 2015 are pending hearing and final disposal before the Hon'ble Supreme Court of India. Without prejudice to the aforesaid Appeal No. 243 of 2014, Civil Appeal No. 4074 of 2015 and Civil Appeal (Diary) No. 11771 of 2015, BEST is now dealing with the present matter, as hereunder.



4. BEST submits that in compliance to Hon'ble Commission's directive in Daily Order dated 12.08.2015, TPC and BEST had formal discussions and exchanged the views on the Revised Network Plan submitted by TPC in its Additional Submission dated 19.08.2015.

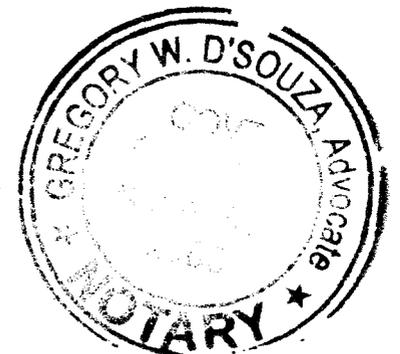
BEST's submission on the audio visual presentation made by TPC on 12th August, 2015 before MERC

5. On bare perusal of the geographical map and details of existing network in the island city of Mumbai provided by TPC in its Additional Submission dated 06.08.2015 and 19.08.2015 as well as in the audio visual presentation made by TPC before MERC on 12.08.2015, BEST submits as hereunder:

- i) Various discrepancies in the given data/ figures about existing network of TPC in island city of Mumbai as tabulated below are observed:

Particulars	Additional Submission dated 06.08.2015 of TPC (Table No.1)	Presentation made by TPC on 12.08.2015 (Page 35)
Exiting 40 MVA DSS	Location- D ward	Location - FS ward
Length of 33 KV & 22 KV cable	33 KV- 253 Km, 22KV- Not provided	33 KV- Not provided, 22 KV- 191 Km (37 Nos.)
No. of exiting CSS	Not provided	55 Nos. of 22/0.4 KV
Existing CSS capacity	75 MVA	63.71 MVA
Existing CSS loading	28%	20%

BEST states that TPC in its Additional Submissions dated 19.08.2015 and 02.09.2015 has not separately provided any updated details of its existing network in the island city of Mumbai.



ii) TPC has stated that its existing network contains 40 MVA DSS; however, on bare perusal of geographical map provided by TPC, location of stated existing DSS is not indicated. Therefore, existence of 40 MVA DSS needs to be verified.

iii) TPC has stated that its existing network consist of 37 Nos. of 22 KV cable of 191 Km with available capacity of 380 MVA whereas on other end number of existing 22/0.4 KV DSS are stated to be 55 Nos. This detail is misleading unless TPC has already established a 22 KV level ring network.

BEST's submission on Revised Network Rollout Plan submitted by TPC under its Additional Submission dated 19.08.2015 and 02.09.2015

6. BEST submit that TPC, in its Additional Submissions dated 06.08.2015, 19.08.2015 and 02.09.2015, has adopted piecemeal approach leading to inconsistencies in estimating load projection, requirement of HT/LT infrastructure and capex for rollout of its network in the island city of Mumbai, which is evident hereunder:

i) Load Projection for island city of Mumbai in MW:

Particulars	Additional Submission dated 06.08.2015	Additional Submission dated 19.08.2015	Additional Submission dated 02.09.2015
Existing demand of BEST	-	900	900
Existing demand of TPC	-	94	94
Growth in Yellow field areas	101	101	101
Growth in Brown field areas	114	114	69
Growth in Green field areas	64	64	32
Estimated peak demand of island city of Mumbai	280	1274	1196
Network rollout planned by TPC to cater 50% of load	139	637	598



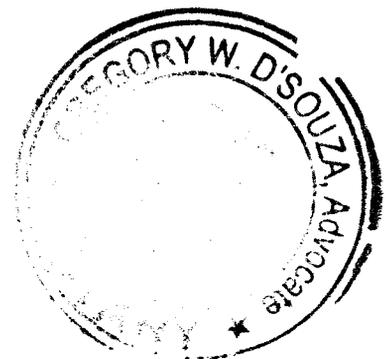
ii) Projected Network requirement for island city of Mumbai:

Particulars	Additional Submission dated 06.08.2015	Additional Submission dated 19.08.2015	Additional Submission dated 02.09.2015
Projected DSS capacity (MVA)	140	480	360
Projected No. of Additional DSS	7 x 20 MVA	12 x 40 MVA	9 x 40 MVA
33kV Cable Network (km)	70	120	90
11kV Cable Network (km)	112	284	288
Projected CSS capacity (MVA)	159	497	365
Projected No. of Additional CSS	Not specified	497	365
LT Cable Network (km)	109	499	499

iii) Capex projection for island city of Mumbai:

Particulars	Additional Submission dated 06.08.2015	Additional Submission dated 19.08.2015	Additional Submission dated 02.09.2015
Projected total Capex (in Crore)	Separately not provided	1,185	930

7. BEST submit that TPC has filed its Additional Submission dated 02.09.2015 in furtherance to its Additional Submission dated 19.08.2015 with modified Revised Network Rollout Plan, BEST restrict its submission on Revised Network Rollout Plan submitted by TPC in its Additional Submission dated 02.09.2015, as hereunder.
8. BEST states that the Revised Rollout Plan submitted by TPC is patently in breach or contravention of the following essential and specific part of the Distribution License No. 1 of 2014 granted on 14.08.2014 by MERC to TPC:



Part II : Specific

1. *The Distribution Licensee shall submit a detailed Network Rollout Plan in accordance with the observations and directions of the Commission in its Order dated 14 August, 2014 in Case No. 90 of 2014 and the relevant provisions of the Electricity Act, 2003, Rules and Regulations.*
 2. *The plan should clearly bring out that it is cost effective; provides equal access to all categories of consumers; creates a level playing field; and is optimal for the purpose of meeting the Universal Service Obligations in a time bound manner.*
 3. *The plan shall be submitted to the Commission for approval within a period of 6 weeks from the date of commencement of this Distribution Licence.”*
9. BEST submits that the Revised Network Rollout Plan submitted by TPC under its Additional Submissions dated 02.09.2015 filed in this Case No. 182 of 2014, is ex facie :-
- (i) not providing for an adequate or timely rollout of distribution network.
 - (ii) not providing equal access to all categories of consumers and creating a level playing field.
 - (iii) is not at all sufficient enough to fulfil the Universal Service Obligation and duty to supply on demand in case of existing consumers.
10. BEST states that TPC, under Para 10 of its Additional Submissions dated 02.09.2015, has estimated the load projection of 1196 MW (realistic) based on existing demand of 994 MW being catered in island city of Mumbai by BEST and TPC and a growth or rise in load of 202



MW in the island city of Mumbai as (i) the natural load growth in the saturated areas in specific wards (i.e. yellow field areas), (ii) the additional load growth due to anticipated redevelopment of existing properties (i.e. brown field areas), and (iii) the addition of load on accounts of anticipated new areas for development (i.e. green field areas). TPC in its Revised Network Rollout Plan has merely estimated / projected a limited and meagre 50% (i.e. about 598 MW) of its projected load in computation of an independent distribution network for the island city of Mumbai. Further, the consideration of 50% of the current load catered by TPC in the island city of Mumbai in the computation of load for projecting its Revised Network Rollout Plan is misleading.

11. BEST states that as Mumbai is a financial hub and uninterrupted and reliable electric supply at 24 x 7 basis is an essential requirement of the consumers. It is necessary to ensure uninterrupted and reliable power supply to the consumer. Further, for the restoration of failed underground network in Mumbai City, permissions required from the various authorities for the excavating the congested road / footpaths, which takes considerable time period. The unique 11 kV and LT ring network with (n-1) redundancy is effective to ensure that electricity is restored during failure of any component of the network with least delay or without inconvenience cause to the consumers. The optimal loading of the interconnected HT/LT network minimises the distribution loss. Further, through spread out LT network, it is possible to provide



new electric connection to the consumer on demand within the specified time limit of MERC (SoP) Regulations. Therefore, the HT/LT network with (n-1) redundancy allows distribution licensee to maintain the network reliability; which necessitates planning on higher side for installed capacity at DSS/CSS level and laying of HT/LT cable network to effectively serve the consumers. TPC under its submission dated 02.09.2015 has made the following amongst other proposals, which are required to be compared and examined vis-à-vis the existing network parameters of BEST:

Particulars	BEST-Existing	Proposed Network Rollout by TPC	Comparative Difference in %
Demand serve (MW)	900	598	- 66%
Nos. of DSS (Existing + Proposed)	56	10	- 17%
Capacity of DSS (Existing + Proposed) (MVA)	1902	400	- 21%
No. of CSS (Existing + Proposed)	2261	420	- 18%
Capacity of CSS (Existing + Proposed) (MVA)	2451	440	- 17%
Length of 11kV cable network (kms)	1966	288	- 14%
Length of LT cable network (kms)	8269*	499	- 06%

* LT Network includes 7500 Auxiliary Distribution Pillars and 74,000 nos. of last mile service cables.

BEST submits that TPC has submitted its Revised Network Rollout Plan with a view to cater the demand of about 598 MW. The demand to be met with proposed rollout plan is almost 66% of 900 MW, which is presently being met by the network of BEST. From the above table, it can be seen that the Revised Network Rollout Plan as proposed by



TPC to meet estimated demand of 598 MW, which is about 66% of 900 MW demand presently catered by BEST, is only to the extent of about 17-20% of the network as that of BEST; which is required to be commissioned and maintained for reliable supply.

12. BEST submits that TPC, under Para 14 of its Additional Submissions dated 02.09.2015, has proposed Revised Network Rollout Plan with requirement of 747 MVA DSS capacity to cater 50% (i.e. about 598 MW) of the total estimated load projection. TPC has subsequently projected DSS and its capacity by the way of (i) utilizing available capacity of 409 MVA (i.e. 377 MVA of existing 22 kV cable and 32 MVA capacity of alleged existing DSS) and (ii) additional 338 MVA capacity by establishing 9 nos. of new DSS of 40 MVA each. BEST states that TPC is misleading the fact that it has existing DSS capacity of 409 MVA in its network.

It is apparent that TPC is having at present 1 no. of DSS of 40 MVA capacity and 22 kV underground cable network having stated available capacity of 377 MVA. However, the 22 kV cable network does not have any transforming capacity for further downstream distribution. Moreover no capex have been provided by TPC in its plan period of 7 years to utilise the available capacity in 22 kV cable network for installation and commissioning of full-fledged DSSs of matching transforming capacity of 377 MVA. Therefore, the claim of TPC of having existing available capacity of 409 MVA without DSS is totally misleading. As such, DSS



capacity planned in the Revised Network Rollout Plan in reality is of only 360 MVA instead of 747 MVA capacity as claimed by TPC and is clearly inadequate to cater the demand of 598 MW for meeting the Universal Service Obligation, as provided under Section 43 of Electricity Act, 2003, in a time bound manner.

13. It is pertinent that TPC, under Para 29 and 35 of its Additional Submissions dated 02.09.2015, has provided for DSS and CSS to be established Ward-wise, but has not clarified about the availability of locations or sites or the precise geographical address for establishing such DSS and CSS. It is significant that such geographical address of the proposed DSS / CSS, is indispensably necessary to disclose and substantiate compliance with the Universal Service Obligation by TPC. BEST states that as per the network design proposed by the TPC in its Revised Network Rollout Plan, the DSS will feed the downstream CSS network to eventually meet the load demand of the consumer. However, a bare perusal of the GIS Map showing the ward-wise network proposed for the island city of Mumbai clearly discloses that TPC has failed and neglected to establish DSS in the majority of Municipal wards in the island city of Mumbai.

BEST further submit that currently TPC does not have any HT/LT distribution network in highly dense area in A, B, C and D Municipal wards. In the remaining 5 Municipal wards in the island city of Mumbai, TPC has limited distribution network of 22/0.4 kV and 6.6 kV



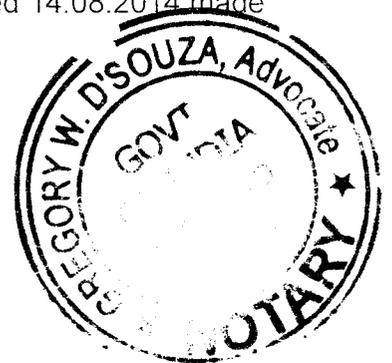
configuration supplying its HT consumers and concentrated LT loads. In the Revised Network Rollout Plan under Table No. 15, TPC has not projected any HT/LT network rollout in the area covering B, F North and G North Municipal wards. Further, even though, TPC has proposed 23 MVA CSS capacity in F South Municipal ward, it has not proposed any associated creation of DSS capacity and 33 kV/11 kV cable network. BEST states that major slum pockets of Antop Hill and Dharavi are located in F North and G North wards. BEST is presently serving about 3.5 lakhs consumers, most of which from weaker section of society, in these two wards. BEST states that more than 5 lakh consumers itself in above said 4 wards having slum pockets and low end categories consumers will be deprived of services of TPC, as distribution licensee, for want of adequate and effective network rollout plan by TPC in the said wards. As such, the Revised Network Rollout Plan as submitted on 02.09.2015 has failed to provide equal access to all categories of consumers and to create a level playing field.

14. BEST further states that out of its projection of additional requirement of 9 nos. of DSS of 360 MVA capacity and 365 nos. of CSS of 365 MVA capacity, TPC has planned about 50% of total requirement of additional DSS/CSS (i.e. 5 nos. of DSS and 193 nos. of CSS) in the area of A, C and D Municipal wards. The area covering these wards in South Mumbai are densely populated and congested and there is already acute shortage of space in these areas. It is significant that the locations or sites for establishing such DSS are important, as there is a



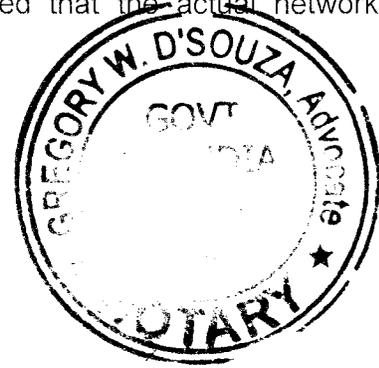
grave lack or shortage of available open plots or available land in the island city of Mumbai. The space for DSS would be available only if a large plot (i.e. plot having area of more than 20,000 sq. mtrs.) is available or taken up for development. BEST submits that TPC does not intend to establish the DSS to cater existing consumers. Moreover, TPC network plan of only 360 MVA capacity, as against the projected demand of 598 MW, is intended to cater only future growth in demand and is not at all sufficient enough to meet existing demand and to fulfil the Universal Service Obligation and duty to supply on demand in case of existing consumers in the island city of Mumbai.

15. Further, the Revised Network Rollout Plan merely provides for creation and rollout of an independent distribution network in a phased manner over a period of 7 years; without specifying specific years of phasing. It is significant that such phased development of distribution network is contrary to and in violation of the Electricity Act, 2003, and the Rules and Regulations made thereunder, and in particular of the indispensable requirement of the Universal Service Obligation. It is also significant that such phased development of distribution network is only likely to result in selective development of distribution network for “cherry picking” of lucrative consumers of electricity.
16. It is pertinent that TPC under Para 34 of its Additional Submissions dated 02.09.2015 has estimated the network rollout required (i) in the island city of Mumbai on the basis of the Order dated 14.08.2014 made



by MERC in Case No. 90 of 2014, and (ii) in the Mumbai suburbs on the basis of the Judgment dated 28.11.2014 passed by Hon'ble APTEL in the Appeal Nos. 246 and 229 of 2012, pursuant to the Daily Order dated 12.08.2015 made by MERC in this Case No. 182 of 2014 requiring different treatment by TPC of the area common with BEST vis-à-vis the area common with RInfra. However, at the same time, TPC has illegally and malafide relied upon the Judgment dated 28.11.2014 passed by Hon'ble APTEL in the Appeal Nos. 246 and 229 of 2012, in proposing the network rollout by TPC in the island city of Mumbai. In this regard, BEST submits that TPC cannot arbitrarily substitute the requirements of the Order dated 14.08.2014 made by MERC in Case No. 90 of 2014 and the Distribution License No. 1 of 2014 granted on 14.08.2014 by MERC to TPC, with the requirements of the Judgment dated 28.11.2014 passed by Hon'ble APTEL in the Appeal Nos. 246 and 229 of 2012, to sub-serve the ulterior motives of TPC. BEST submits that the said Judgement dated 28.11.2014 is neither applicable nor relatable to BEST or its area of supply. In the circumstances, the reference to or reliance upon the said Judgment dated 28.11.2014 by TPC in proposing its network rollout in the island city of Mumbai, is clearly malafide and misconceived.

17. It is significant that although TPC under Para 32 of its Additional Submissions dated 19.08.2015 has submitted that its Revised Network Rollout Plan is based on assumptions as explained in earlier paragraphs, but TPC has thereafter stated that the actual network



rollout may get modified based on various factors like consumer demand and preference, transmission outlet availability, triggers for opening up of Green Field areas, etc. It is respectfully submitted by BEST that such network rollout by TPC is ex-facie neither adequate nor timely, but is a colourable device to cherry pick consumers of electricity in the island city of Mumbai. BEST also submits that such network rollout by TPC is fundamentally contrary to the indispensable requirement of Universal Service Obligation, as provided in Section 43 of Electricity Act, 2003, to be fulfilled by TPC.

18. In the circumstances and for reasons aforesaid, BEST humbly submits and prays that the said Revised Network Rollout Plan submitted by TPC deserves and should be discredited, and the present Petition filed by TPC ought to and should be dismissed, by MERC with costs.



(R. D. Patsute)
Chief Engineer (Regulatory)
For Brihanmumbai Electric Supply
& Transport Undertaking

Place: Mumbai

Date: _____, 2015

07 SEP 2015

