# MINUTES OF MEETING

## OF THE

# MUMBAI DISTRIBUTION NETWORK ASSESSMENT COMMITTEE (M-DNAC)

Date

:- 12 October, 2023

:-

:-

Venue

MERC (13th Floor - World Trade Centre)

Present

Dr. Prafulla Varhade, Chairman (Commission's Officer)

Shri. Dineshchandra Saboo, Member (External)

Shri. Dilip Dumbre, Member (Ombudsman's Officer)

Shri. Rakesh Guhagarkar, Member (Commission's Officer)

## Discussions held:-

As decided in its earlier meeting held on 4 October 2023, the Committee held its meeting on 12 October, 2023 to decide the scenario confirmation proposal submitted by AEML-D for the supply to the Commissioner of Police, Mumbai Staff Quarters building in Bandra (W).

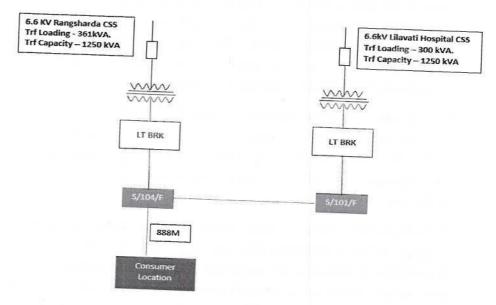
The Committee notes that subsequent to discussion held on 4 October, 2023, TPC-D has provided its comment on AEML-D's present scenario confirmation proposal on 5 October 2023 and AEML-D also submitted its further submission on 6 October 2023 rebutting TPC-D's submission. The copy of their submission annexed as annexure 1 & 2. The brief summary of their submission is summarized as below:

## A. TPC-D's submission:

- i. Admittedly, AEML-D requires setting up a new sub-station to release power supply to the Applicant. In other words, the Applicant's connection is at Level 3. Thus, the Applicant is not completely covered by AEML and therefore, cannot be considered as an application under Scenario 53(a). In fact, AEML-D's network presence at Level 3 qua the Applicant's location squarely falls under the definition of "present" under Scenario 53(d) as defined under the Order dated 12 June 2017.
- ii. TPC-D's LT and HT (6.6KV) network is available at 888 meters from the proposed consumer location and 33 KV network is present at a distance of 641 meters, the Applicant can be served by TPC-D by augmenting or extending nearest LT mains i.e. at Level 2 without requiring a new substation.
- iii. Accordingly, it is TPC-D's understanding that the present application falls under Scenario 53(d), which deals with a situation where "either or both Licensees are 'present' but neither 'completely covers' the area".
- iv. AEML-D's proposal to erect a new substation will unnecessarily burden the consumers.

- v. AEML's entire case is premised on the fact that its distribution network is closer than that of TPC-D's network. Accepting AEML-D's submission would tantamount to accepting "distance" as a criteria which was never intent in the Order dated 12 June 2017.
- vi. The Committee is requested to direct AEML-D to follow the due procedure as per Annexure C of the said Order dated 12 June 2017. As per Clause 6.3 of Annexure C, once AEML-D has concluded that the Application falls under Level 3 or higher, AEML-D was required to forward a copy of the completed Application along with the inspection report to TPC-D, within 3 days of its inspection. AEML-D has failed to follow the prescribed procedure. AEML-D cannot proceed with an application on the premise and assumption that all cases of new consumers would fall under Scenario 53(a).
- vii. On 4 November 2022, the Hon'ble Supreme Court was pleased to pass the following Order:
  - "Pending further consideration, the parties shall maintain status quo with regard to the controversy in issue."
- viii. In view of the aforesaid Order, the Committee ought not proceed with any amendments qua the principles laid down in the Order dated 12 June 2017, such as introducing distance as a criterion for connecting the consumers. Any such attempt would be contrary to the Order passed by the Hon'ble Supreme Court.
- ix. Further, the issue viz. determination of levels being the first step and thereafter the scenarios are decided, is pending before the Hon'ble ATE in Appeal No. 87 of 2023. Therefore, it would be prudent that the Committee determine the Level of each licensee first and thereafter decide the applicable Scenario which would be in line with the principles laid down in the Order dated 12.06.2017.
- x. Without prejudice to the above submissions, we are providing the details sought by the Ld. MDNAC during the hearing held on 04.10.2023:
  - a. TPC-D's LT & HT (6.6KV) network is available at 888 meters from the proposed consumer location and 33 KV network is present at a distance of 641 meters.
  - b. The Hon'ble Commission, in the Order in Case No. 163 of 2021, has directed both licensees (TPC-D and AEML-D) to follow the MD estimation norms of MSEDCL for applications received for new connections. However since carpet area details (pertinent for calculation of Maximum Demand as per MSEDCL methodology) have not been provided by AEML-D and as directed by the Committee in the meeting dated 4 October 2023, TPC-D is left with no alternative but to use the methodology of calculation of Maximum Demand previously adopted by TPC-D. Accordingly, TPC-D has computed the maximum demand as 125 kW with demand factor of 15% as the details of Residential and commercial load is also not shared.
  - c. Considering the maximum demand of 125 kW, TPC-D can release the power supply to the Applicant on LT at Level 2, from its exiting CSS having installed capacity of 1250 KVA at 888 meter route length from the Applicant. It is pertinent to note that the CSS has maximum loading of 361 KVA i.e. it is only 28.8% loaded.

- d. The DC Rules provide for Substation requirement as per the given plot area. However, DC Rules also provide discretion to the Power utilities to decide the actual requirement of CSS as per their present network loading conditions.
- e. In view of above, since TPC-D's CSS is under-utilized, it will be prudent to load its existing assets first rather than creating a new CSS as being proposed by AEML-D. Further, the Tariff of TPC-D is lower than that of AEML-D. Hence, overall, in the interest of consumer and in light of the network development principles laid down by the Hon'ble Commission vide its Order dated 12 June 2017, MDNAC is requested to allow TPC-D to provide the power supply to the Applicant from the existing CSS.
- f. Further, the Single Line Diagram for releasing Power Supply to consumer on LT is given below:



xi. The procedure in terms of the Hon'ble Commission's Order dated 12 June 2017 is being followed by TPC-D, without prejudice to its rights under law and pending challenge before the Hon'ble Supreme Court and the Hon'ble ATE, as a temporary measure, and in consumer interest

# B. AEML-D's additional submission/rejoinder:-

- i. At the time of IOD/CC of the project, AEML-D had issued No Objection Certificate (NOC) to the applicant, indicating requirement of substation. Further, the space for setting up of the substation as per AEML-D's specification in the premises is already identified in the approved plan of the applicant. The building is a redevelopment project, where temporary supply was also released by AEML-D.
- ii. TPC-D has itself admitted that their HT and LT network is present at a distance of about 888 meters from the premises and even after being almost a kilometre away from the applicant's premises, they intend to lay LT network from that distance. Even after having its distribution network so far away, TPC-D seeks to treat the premises to fall within

Scenario 53(d), which is completely contrary to the spirit of the Order dated 12 June 2017 and is also against the various subsequent Orders passed by the Hon'ble Commission as well as the Hon'ble ATE. The intent of the Hon'ble Commission is that the consumer is served at reasonable cost by a licensee who is present under Scenario 53(a). TPC-D cannot be considered as present, when in fact their network is almost a kilometer away, by their own admission.

- iii. AEML-D's HT and LT network is available right in front of the premises, and therefore, considering network spread, the situation is clearly one where one Licensee's network is present and that of the other is absent, meaning thereby that the premises of the consumer falls within scenario 53(a). In fact, by TPC-D's admission of extending LT network from such far away location (approx. 900 meters), the situation becomes identical to that of a similar case of another consumer viz., M/s Vital Developers, where TPC-D has extended LT network from about 1 km from the premises.
- iv. It is pertinent to mention that the matter of Vital Developers was examined and ruled upon by the Hon'ble Commission in Order dated 25 December 2022 in Case No. 163 of 2021, where they have heavily censured TPC-D for creating a duplicate network from far away distance and TPC-D's claim that if network is Level 2, scenario classification is irrelevant.
- v. As held in this Order, in case of any reference made to the M-DNAC, the Scenario is required to be established first and only then Levels can be looked into. Further, a Distribution Licensee is not supposed to release connections under Level 1 and Level 2 in cases where, based on its network presence, it is not entitled to do so due to absence of its network in the area. In fact, TPC-D challenged the above Order before the Hon'ble ATE in Appeal No. 87 of 2023, wherein it also sought for an interim relief qua stay of the above Order. However, no stay has been granted by Hon'ble ATE. Thus, as on date, the findings rendered by the Hon'ble Commission in the afore-quoted order continues to operate in full force, thereby binding all the concerned stakeholders.
- vi. Further, the concept of "network spread"/ "distance" is ingrained in the Order dated 12 June 2017. This position has also been upheld by the Hon'ble ATE in a Judgment dated 28 May 2020 passed in Appeal No. 35 of 2020.
- vii. Further, with respect to the reliance placed by TPC-D upon the status quo order passed by the Hon'ble Supreme Court in Civil Appeal No. 3451 of 2020 (which is filed by TPC-D against the above judgment of Hon'ble APTEL in Appeal No. 35 of 2020), the same has no basis, as the same is actually in favour of AEML-D as the Order of the Hon'ble Supreme Court only means that AEML-D can continue to serve the consumer in question (i.e. Jagdeo Mhatre).
- viii. AEML-D estimates Maximum Demand based on Built-up Area of the project. As already submitted by AEML-D to the M-DNAC during the proceedings on Maximum Demand estimation, AEML-D has adopted the same procedure to estimate MD in the instant case also. The built-up area of Residential portion is 1113 Sq. meters and that of Commercial

- portion is 2198 Sq. meters. The total plot area of the project is 1552 Sq. meters. Based on AEML-D's methodology, the MD of the project works out to be 384 kVA.
- ix. As regards carpet area details, TPC-D, being a distribution licensee, is well aware that the same is usually not provided by an applicant and if it is to be obtained, then it can be easily obtained from available public sources such as RERA website, which TPC-D is well capable of doing.
- x. With regard to TPC-D's submission that creation of substation by AEML-D would unnecessarily burden the consumers, AEML-D submits that, considering the present RI charges of MCGM for Asphalt road at about Rs. 16000 / running meter, the RI charges in TPC-D's proposal for laying LT cable over about 900 meters alone would be manifold higher than the cost of creating a substation (little or no RI would be incurred in AEML-D's proposal as HT cable is right outside the premises). Also, reference of TPC-D to the loading of their substation or their tariff being lower is irrelevant in the instant case, as the applicant premises falls within Scenario 53(a) where AEML-D's network is the only one present and hence TPC-D, whose network is absent, has no right to connect the consumer.
- xi. The instant case is identical to the case of Vital Developers and hence, in view of the Hon'ble Commission's rulings, Scenario assessment needs to be done first, by considering network spread of the two licensees and basis the same, the Licensee whose network is non-existent to begin with, should not be permitted to extend LT network from far away location as that would vitiate the scenario, allow duplication, burden consumers with much higher cost and is clearly violative of the principles of Order dated 12 June 2017.
- xii. In view of the above, the Committee is requested to hold that the present application pertains to Scenario 53(a) and to allow AEML-D to proceed with laying the required infrastructure to provide connection to the Applicant.
- xiii. This is without prejudice to AEML-D's rights and contentions in Appeal No. 195 of 2017, against the Hon'ble Commission's Order dated 12.06.2017, in Case No. 182 of 2014.

# C. M-DNAC Committee's observations and decision: -

i. The Committee notes that AEML-D received an application for power supply from Commissioner of Police, Mumbai, for their Staff Quarters building in Bandra (W) for a load requirement of 832 kW. AEML-D, based on assessment of its network, concluded that supply can be released after commissioning substation (i.e. Level 3) in the applicant's premises. As the application pertained to Level 3, AEML-D carried out a scenario assessment through identification and location of network of other distribution licensee i.e., TPC-D and basis the same, AEML-D claimed that TPC-D's network is not present within a reasonable proximity of the premises. Hence, according to AEML-D, the scenario applicable is 53(a) as laid down under the Hon'ble Commission's Order dated 12 June 2017 in Case Nos. 182 of 2014 & 40 of 2015.

- ii. On the other hand, TPC-D stated that since AEML-D requires setting up a new substation (Level 3 connection) to release power supply to the Applicant, the Applicant is not completely covered by AEML-D and therefore, cannot be considered as an application under Scenario 53(a). As per TPC-D, AEML-D's network presence at Level 3 qua the Applicant's location falls under the definition of "present" under Scenario 53(d) as defined under the Order dated 12 June 2017. TPC-D further stated that its LT and HT (6.6KV) network is available at 888 meters from the proposed consumer location and 33 KV network is present at a distance of 641 meters. The Applicant can be served by TPC-D by augmenting or extending nearest LT mains i.e. at Level 2 without requiring a new substation. Accordingly, it is TPC-D's understanding that the present application falls under Scenario 53(d)
- iii. The Committee notes that AEML-D's 11 kV network is available on the road right in front of the applicant's premises. Also, as per map submitted by AEML-D, its LT network is also nearby to the applicant's premise whereas TPC-D's LT and HT (6.6KV) network is available at 888 meters from the proposed consumer location.
- iv. TPC-D has contended that that since the Applicant's connection would be at Level 3 by AEML-D, the Applicant is not completely covered by AEML-D. Therefore, it cannot be considered as an application under Scenario 53(a). The Committee is of the view that vide its Order dated 4 February 2019 in Case No. 345 of 2018, the Hon'ble Commission has held that there could be level 3 and above applications in scenario 53(a) and non-existence of the other Distribution licensee is the criteria for scenario 53(a). Hence, the Committee is not inclined to accept TPC-D's above contention.
- v. TPC-D has also stated that the Hon'ble Supreme Court has directed a status quo in Civil Appeal No. 3451 of 2020 and hence, the Committee ought not proceed with any amendments qua the principles laid down in the Order dated 12 June 2017, such as introducing distance as a criterion for connecting the consumers. In this context, the Committee notes that, based on principles laid down in Order dated 12 June 2017, the Committee has already issued few decisions on scenario classification proposal referred to it and while deciding the scenarios, the Committee, in past, has taken into consideration the relative network spread of both the licensees. These decisions of the Committee have been upheld by the Hon'ble Commission and also by the Hon'ble ATE. Therefore, the Committee deems it appropriate to continue the past approach / criteria adopted by it for scenario confirmation which is in line with the principles laid down in the Order dated 12 June, 2017.
- vi. As regard the TPC-D's contention that the Committee should determine the Level of each licensee first and thereafter decide the applicable Scenario, the Committee notes that the Hon'ble Commission, vide its Order dated 25 December 2022 in Case No. 163 of 2021, held that while deciding the capability of the Licensees to release connection to a new/existing consumer and role of M-DNAC in such connection releasing, first, the scenario has to be considered and under the specific scenario, based on Levels, appropriate Licensee can release the connection. Though there is a challenge to the Hon'ble Commission's Order in Case No. 163 of 2021, no stay has been granted by the

- Hon'ble ATE and therefore the above Order is in force. Hence, the Committee is not inclined to accept TPC-D's submission on this issue.
- vii. Considering aforesaid facts, the Committee observes that AEML-D has its HT LT distribution mains just in front of the applicant's location whereas TPC-D has HT LT distributions mains is far away, at around 890 meters to the applicant's location from where TPC-D wants to lay its LT network. Such laying of longer LT distribution network is expected to deteriorate the quality of supply in future. Hence, M-DNAC concludes that TPC-D's distribution mains is not present in the location where the applicant is located.
- viii. Considering the aforesaid facts and considering the relative network spread of both the Licensees, the Committee is of the opinion that the application received from the Commissioner of Police, Mumbai for power supply to their Staff Quarters building in Bandra (W) for supply of 834 kW falls under scenario 53(a) as per Case No. 182 of 2014.
- ix. TPC-D has also stated that it can release the connection to the applicant consumer under Level 2 from its exiting CSS having installed capacity of 1250 KVA (which is presently only 28.8% loaded) at 888 meter route length from the Applicant. The Committee is of the view that since the application of the consumer falls under scenario 53(a) with only one licensee i.e. AEML-D completely covering the area, it would not be appropriate to accept TPC-D proposal to release the connection to the consumer under Level 2 from its distribution mains which is 888 mtr away.
- x. In view of the above, the Committee has decided to confirm that the application of the Commissioner of Police, Mumbai for releasing power supply connection to their Staff Quarters building in Bandra (W)) falls under scenario 53(a) and this criteria is satisfied by AEML-D.

Rakesh Guhagarkar, Member (Commission's Officer)

Dilip Dumbre, Member (Ombudsman's Officer)

Dineshchandra Saboo, Member (External)

Chairman (Commission's Officer)



## Annexure 1

Nilesh Kane Chief-Distribution (Mumbai Operations)

### "WITHOUT PREJUDICE"

5<sup>th</sup> October 2023 CD/FY24/MERC/019

To,
The Coordinator,
Mumbai -Distribution Network Assessment Committee.
Maharashtra Electricity Regulatory Commission
13<sup>th</sup> Floor, Centre No.1, World Trade Centre
Cuffe Parade Colaba, Mumbai - 400 005

Sub: Application for Power Supply by Commissioner of Police, Mumbai – Staff Quarters ("Applicant")

Ref: 1) Adani Electricity Mumbai Limited -Distribution's Letter dated 18.09.2023, bearing reference no: AEML/MDNAC/Commissioner of Police/Oct/01

- 2) The Hon'ble Maharashtra Electricity Regulatory Commission's Order dated 12.06.2016 in Case No. 182 of 2014 & Case No. 40 of 2015.
- 3) MDNAC meeting scheduled on 04.10.2023

#### Dear Sir,

- 1. This is in furtherance to the meeting held with Ld. MDNAC on 04.10.2023 and Adani Electricity Mumbai Limited's ("AEML") letter dated 18.09.2023, wherein AEML has, *inter alia*, stated the following: -
- (a) AEML has received an application from Commissioner of Police, Mumbai for power supply to their Staff Quarters building in Bandra (W). Total load requirement of the building, as per the application, is 832 kW.
- (b) As per the site inspection carried out by AEML and the assessment of network conditions, AEML would require a new 11/0.4 kV substation in the premises (i.e. at Level 3) in order to be able to provide electricity connection to the Applicant.
- (c) As per AEML's knowledge, the HT mains (11kV cable) of Tata Power -Distribution is located at a distance of approx. 650 meters from the site (route distance) and there is no presence of LT network of Tata Power-Distribution at all.

### TATA POWER

CIN: L28920MH1919PLC000567 Website: www.tatapower.com Email: nilesh.kane@tatapower.com





- (d) AEML's 11kV network is available on the road right in front of the applicant's premises.
- 2. At the very outset, it is stated that, AEML's understanding that the Applicant's location is required to be considered under Scenario 53(a), even though AEML as per its own admission requires to set up a new sub-station i.e. at Level 3, is incorrect and contrary to the principles of network laying set out in the Hon'ble MERC's Order dated 12.06.2017 in Case No. 182 of 2014 ("Order dated 12.06.2017").
- 3. It is AEML's contention that the present Applicant falls under Scenario 53(a), i.e. the area/location is "completely covered" by one licensee and the other licensee does not have its own distribution network. In this regard, it is submitted that, admittedly AEML requires setting up a new sub-station to release power supply to the Applicant. In other words, the Applicant's connection "is possible only after providing new Consumer Sub-Station (CSS) or augmenting the existing CSS" i.e. at Level 3. Thus, it is amply clear that the Applicant is not completely covered by AEML and therefore, cannot be considered as an application under Scenario 53(a). In fact, AEML's network presence at Level 3 qua the Applicant's location squarely falls under the definition of "present" under Scenario 53(d) as defined under the Order dated 12.06.2017 i.e. "123.8 As regards a Distribution Licensee being 'present' in an area, the Commission is of the view that, unless the Licensee is directly supplying HT consumers, the existence of backbone HT distribution mains would be the most relevant and appropriate identifying criterion because it is the primary requirement for the further spread of the distribution network in an area."
- 4. On the other hand Tata Power-Distribution's LT & HT(6.6KV) network is available at 888 meters from the proposed consumer location and 33KV network is present at a distance of 641 meters, the Applicant can be served by Tata Power-Distribution by augmenting or extending nearest LT mains i.e. at Level 2.
- 5. Accordingly, it is Tata Power-Distribution's understanding that the present application falls under Scenario 53(d), which deals with a situation where "either or both Licensees are 'present' but neither 'completely covers' the area". Therefore, at the cost of repetition, it is submitted that both Tata Power-Distribution is in a position to effect supply of electricity to the Applicant and serve its load without requiring a new substation i.e. the applied load of 832 kW can be served by Tata Power-Distribution by augmenting or extending nearest LT mains i.e. under Level 2 and AEML can do so by putting up a new substation i.e. at Level 3 which will unnecessarily burden the consumers.
- 6. Therefore, in terms of the Hon'ble MERC's Order dated 12.06.2017, Tata Power-



Distribution requests this Hon'ble Committee to treat the present application in Scenario 53(d), especially when, admittedly AEML requires to put up a new sub-station in the premises. It is stated that AEML's entire case is premised on the fact that its distribution network is closer than that of Tata Power-Distributions' network. Accepting AEML's submission would tantamount to accepting "distance" as a criteria which was never intent in the Order dated 12.06.2017.

- 7. Additionally, Tata Power -Distribution further requests this Ld. Committee to direct AEML to follow the lawful procedure as per Annexure C of the said Order dated 12.06.2017. As per Clause 6.3 of Annexure C, once AEML has concluded that the Application falls under Level 3 or higher, AEML was required to forward a copy of the completed Application along with the inspection report to Tata Power-Distribution, within 3 days of its inspection. Evidently, AEML has failed to follow the prescribed procedure. AEML cannot proceed with an application on the premise and assumption that all cases of new consumers would fall under Scenario 53(a).
- 8. Without prejudice to the above, it is submitted that on 04.11.2022, the Hon'ble Supreme Court was pleased to pass the following Order:

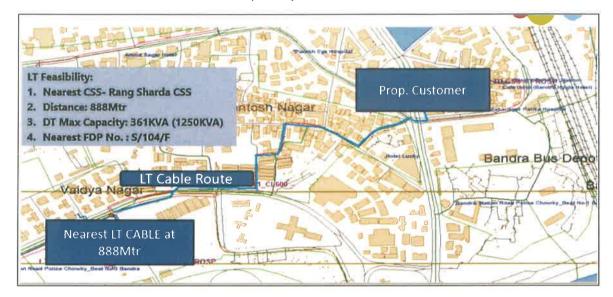
"Pending further consideration, the parties shall maintain status quo with regard to the controversy in issue."

The said Civil Appeals are still pending adjudication. The Hon'ble Commission is a party before the Hon'ble Supreme Court in these appeals. Therefore, in view of the said Order passed by the Hon'ble Supreme Court, this Ld. Committee ought not proceed with any amendments qua the principles laid down in the Order dated 12.06.2017, such as introducing distance as a criterion for connecting the consumers. Any such attempt would be contrary to the Order passed by the Hon'ble Supreme Court.

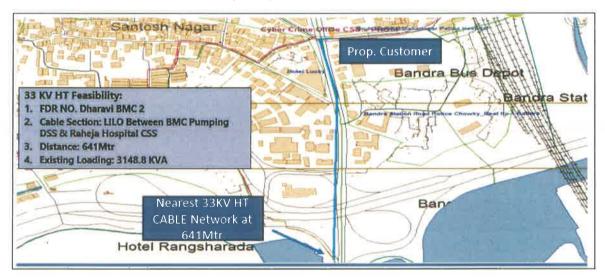
- 9. In addition to the above, the issue viz. determination of levels being the first step and thereafter the scenarios are decided, is pending before the Hon'ble APTEL in Appeal No. 87 of 2023. Therefore, it would be prudent that this Ld. Committee determine the Level of each licensee first and thereafter decide the applicable Scenario which would be in line with the principles laid down in the Order dated 12.06.2017.
- 10. Without prejudice to the above submissions, we are providing the details sought by the Ld. MDNAC during the hearing held on 04.10.2023:
- a) Tata Power-Distribution's LT & HT(6.6KV) network is available at 888 meters from the proposed consumer location and 33KV network is present at a distance of 641 meters. Kindly refer GIS screenshots of the same as shown below —



## LT & HT (6.6KV) Network Presence



## HT (33KV) Network Presence



b) Further, it is submitted that the Hon'ble Commission in the order in Case No. 163 of 2021 has directed both licensees (Tata Power-Distribution & AEML) to follow the MD estimation norms of MSEDCL for applications received for new connections. However, since carpet area details (pertinent for calculation of Maximum Demand as per MSEDCL methodology) have not been provided by AEML and as directed by the Ld. MDNAC in the meeting scheduled on



04.10.2023, Tata Power-Distribution is left with no alternative but to use the methodology of calculation of Maximum Demand previously adopted by Tata Power-Distribution. Accordingly, we have computed the maximum demand as 125 kW with demand factor of 15% as the details of Residential and commercial load is also not shared.

- c) Considering the maximum demand of 125 kW as mentioned above, Tata Power-Distribution can release the power supply to the Applicant on LT at Level 2, from its exiting CSS having installed capacity of 1250 KVA at 888 meter route length from the Applicant. It is pertinent to note that the CSS has maximum loading of 361 KVA i.e. it is only 28.8% loaded.
- d) Further, we wish to submit that as per the Developmental Control & Promotion Regulations (DCPR) for Mumbai 2034 ("DC Rules") provides for Substation requirement as per the given plot area. However, DC Rules provides discretion to the Power utilities to decide the actual requirement of CSS as per their present network loading conditions. The relevant clause of the DC Rules is reproduced herein below for ease of reference—

"28. Substation

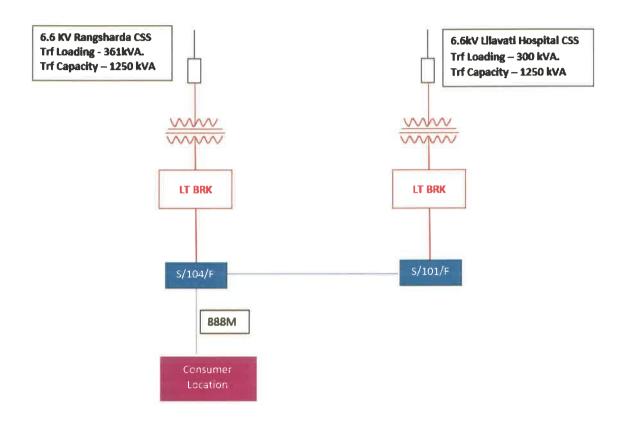
A) Electrical Consumer Substation (CSS)/Distribution Substation (DSS):

(d)The provision for CSS shall not be made mandatory by the Electricity Distribution Company in each development. The experts in Electricity Distribution Company shall assess the requirement of CSS considering the existing facilities available in the neighborhood."

- e) In view of above, since Tata Power-Distribution's CSS is under-utilized; it will be prudent to load its existing assets first rather than creating a new CSS; as being proposed by AEML. Further, it is submitted that the Tariff of Tata Power-Distribution is lower than the AEML. Hence, overall, in the interest of consumer and in light of the network development principles laid down by the Hon'ble Commission vide its Order dated 12.06.2017, we request the Ld. MDNAC to allow Tata Power- Distribution to provide the power supply to the Applicant from the existing CSS.
- f) Further, the Single Line Diagram for releasing Power Supply to consumer on LT is given



below: -



11. Please note that, the procedure in terms of Hon'ble MERC's Order dated 12.06.2017 is being followed by Tata Power-Distribution, without prejudice to its rights under law and pending challenge before the Hon'ble Supreme Court and the Hon'ble Appellate Tribunal for Electricity, as a temporary measure, and in consumer interest.

Yours faithfully,

Nilesh Kane

**Chief-Distribution Mumbai Operations** 



# Annexure 2

## "Without Prejudice"

AEML/MDNAC/Commissioner of Police/02

Dated: 06-10-2023

#### The Coordinator,

Mumbai – Distribution Network Assessment Committee Maharashtra Electricity Regulatory Commission 13<sup>th</sup> Floor, Centre No. 1, World Trade Centre, Cuffe Parade, Colaba, Mumbai – 400005

Sub: Application for Power Supply by Commissioner of Police, Mumbai – Staff Quarters

Ref: (1) Hon'ble MERC's Order in Case No. 182 of 2014 and Case No. 40 of 2015, dated 12.06.2017

- (2) AEML-D's letter to M-DNAC dated 18.09.2023 for Scenario confirmation
- (3) TPC-D's response ref. no. CD/FY24/MERC/019, dated 05-10-2023

#### Respected Sir,

1. As indicated in our letter under ref. (2), AEML-D received an application for power supply from Commissioner of Police, Mumbai, for their Staff Quarters building in Bandra (W) for a load requirement of 832 kW. AEML-D made an assessment of network and concluded that supply can be released after commissioning substation (i.e. Level 3) in the applicant's premises. As the application pertained to Level 3, AEML-D carried out a scenario assessment through identification and location of network of other distribution licensee i.e., TPC-D and basis the same, AEML-D concluded that since TPC-D's network is not present within a reasonable proximity of the premises, the scenario applicable is 53(a) as per the Ld. MERC Order dated 12.06.2017 in Case Nos. 182 of 2014 & 40 of 2015.



- At the time of IOD/CC of the project, AEML-D had issued No Objection Certificate (NOC) to the applicant, indicating requirement of substation. Further, the space for setting up of the substation as per AEML-D's specification in the premises is already identified in the approved plan of the applicant. It is further stated that the building is a redevelopment project, where temporary supply was also released by AEML-D.
- 3. Subsequent to the issuance of the letter under to M-DNAC under ref. (2), with copy to TPC-D, neither AEML-D, nor M-DNAC received any response from TPC-D, which is a requirement as per the Order dated 12.06.2017. Thereafter, M-DNAC called for a meeting with the two licensees on 04-10-2023, where TPC-D, for the first time, disclosed their network details with respect to the premises. TPC-D has subsequently sent their response [under ref. (3)] stating that their HT and LT network is present at a distance of 888 meters from the premises and they can extend LT network over the said distance in order to connect the applicant, i.e., the connection could be given by TPC-D at Level 2.
- 4. In this regard, it is of utmost importance for your good office to specifically note that TPC-D has itself admitted that their HT and LT network is present at a distance of about 888 meters from the premises and even after being almost a kilometre away from the applicant's premises, they scrumptiously intend to lay LT network from that distance. Even after having its distribution network so far away, TPC-D seeks to treat the premises to fall within Scenario 53(d), which is completely contrary to the spirit of the order dated 12.06.2017 passed in Case Nos. 182 of 2014 and 40 of 2015 and is also against the various subsequent orders passed by the Hon'ble MERC as well as the Hon'ble APTEL. The intent of the Ld. MERC's order is that the consumer is served at reasonable cost by a licensee who is present under Scenario 53(a). Clearly, TPC-D cannot be considered as present, when in fact their network is almost a kilometre away, by their own admission.

AEML-D's HT and LT network is available right in front of the premises, and therefore, considering network spread, the situation is clearly one where one Licensee's network is present and that of the other is absent, meaning thereby that the premises of the consumer falls within scenario 53(a). In fact, by TPC-D's admission of extending LT network from such far away location (approx. 900 meters), the situation becomes identical to that of a similar case of another consumer viz., M/s Vital Developers, where TPC-D has extended LT network from about 1 km from the premises.



It is pertinent to mention that the matter of Vital Developers was examined and ruled upon by the Hon'ble Commission, where they have heavily censured TPC-D for creating a duplicate network from far away distance and claiming that if network is Level 2, scenario classification is irrelevant. This and other critical directions and rulings of the Hon'ble Commission in the said Order (Case No. 163 of 2021, dated 25 Dec. 2022) are quoted below:

> "29.5 Thus, the Order is very clear and while deciding the capability of the Licensees to release connection to a new/existing consumer and role of M-DNAC in such connection releasing, first, the scenario has to be considered and under the specific scenario, based on Levels, appropriate Licensee can release the connection. Hence, TPC-D cannot take a stand that it can release connection from anywhere in the licence area under Level 2 and scenario confirmation has no relevance. As is evident from the aforesaid extract of the Order dated 12 June 2017, in scenario 53(a), the non-existent licensee cannot create a duplicate network by extending its distribution mains from a far away distance."

> 29.6 In its Order dated 4 February 2019 in Case No. 345 of 2018, the Commission has already clarified that for scenario 53(a), other Licensee cannot lay its network. The relevant extract of the aforesaid Oder reads as follows:

> "25. Thus, the Order is very clear and recognizes that there would be level 3 and above applications in scenario 53(a). The scenario 53(a) comprises areas or locations which are completely covered by one Licensee since it has its distribution mains there but other Licensee does not. Therefore under such scenario, network development (for all the levels i.e. level 1 to level 5) in response to new connections is to be undertaken by the Licensee which has its network existing in the area. No question arises of the other Distribution Licensee developing its parallel distribution network in such scenario since this would result in network duplication which is against the objective of the Order. If any consumer wishes to get supply from the other licensee, then the other licensee would supply to the consumers through the network of existing licensee."

> 29.7 The aforesaid Order has been upheld by the Hon'ble ATE and the n of

| therefore now reached the finality. The Licensees need to adhere taforesaid ruling instead of acting based on their own interpretation the Order dated 12 June 2017." |  |
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| <u>ORDER</u>  |  |
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5. The Mumbai Distribution Network Assessment Committee has to follow the protocol laid down under the Order dated 12 June 2017, in its true letter and spirit, by verifying the scenario post an application made in this regard by a Parallel Distribution Licensee.

7. The Mumbai Distribution Network Assessment Committee shall, on sample basis, examine the Level 1/Level 2 connections released by the Licensees in the past with the objective to find out whether any connection which was supposed to be released under Level 3, has been released under Level 2 by way of some manipulation. The Mumbai Distribution Network Assessment Committee shall also examine the cases where the Licensee has released connection under Level 1/Level 2 where based on its network spread, it was not entitled to release the connection due to absence of its network in the area. The Mumbai Distribution Network Assessment Committee shall submit its finding within three months of this Order highlighting such instances."

6. It is obvious from the aforementioned Order that in case of any reference made to the M-DNAC, the Scenario is required to be established first and only then Levels can be looked into. Further, a Distribution Licensee is not supposed to release connections under Level 1 and Level 2 in cases where, based on its network presence, it is not entitled to do so due to absence of its network in the area. In fact, TPC-D challenged the above order before the Hon'ble APTEL in Appeal No. 87 of 2023, wherein it also sought for an interim relief qua stay of the above order of the Hon'ble MERC. However, the Hon'ble APTEL vide an order dated 20.03.2023 did not grant any interim relief in favour of TPC-D.

Thus, as on date, the findings rendered by the Hon'ble MERC in the afore-quoted order continues to operate in full force, thereby binding all the concerned stakeholders.

- 7. Apart from the above, it is also important to highlight herein that the concept of "network spread"/ "distance" is ingrained in the order dated 12.06.2017 passed in Case Nos. 182 of 2014 and 40 of 2015. This position has also been upheld by the Hon'ble APTEL in a judgment dated 28.05.2020 passed in Appeal No. 35 of 2020 (where the issue pertaining to a consumer viz., Jagdeo Mhatre).
- 8. Further, with respect to the reliance placed by TPC-D upon the status quo order passed by the Hon'ble Supreme Court in Civil Appeal No. 3451 of 2020 (which is filed by TPC-D against the above judgment of Hon'ble APTEL in Appeal No. 35 of 2020), the same has no basis, as the same is actually in favour of AEML-D as the



order of the Hon'ble Supreme Court only means that AEML-D can continue to serve the consumer in question (i.e. Jagdeo Mhatre).

- 9. With regard to Para No. 10 (b) of TPC-D's reply, it is submitted that AEML-D estimates Maximum Demand based on Built-up Area of the project. As already submitted by AEML-D to the Hon'ble M-DNAC during the proceedings on Maximum Demand estimation, AEML-D has adopted the same procedure to estimate MD in the instant case also. The built-up area of Residential portion is 1113 Sq. meters and that of Commercial portion is 2198 Sq. meters. The total plot area of the project is 1552 Sq. meters. Based on AEML-D's methodology, the MD of the project works out to be 384 kVA.
- 10. As regards carpet area details, TPC-D, being a distribution licensee, is well aware that the same is usually not provided by an applicant and if it is to be obtained, then it can be easily obtained from available public sources such as RERA website, which TPC-D is well capable of doing.
- 11. Lastly, with regard to TPC-D's submission that creation of substation by AEML-D would un-necessarily burden the consumers, it is submitted that, considering the present RI charges of MCGM for Asphalt road at about Rs. 16000 / running meter, the RI charges in TPC-D's proposal for laying LT cable over about 900 meters alone would be manifold higher than the cost of creating a substation (little or no RI would be incurred in AEML-D's proposal as HT cable is right outside the premises). Also, reference of TPC-D to the loading of their substation or their tariff being lower is irrelevant in the instant case, as the applicant premises falls within Scenario 53(a) where AEML-D's network is the only one present and hence TPC-D, whose network is absent, has no right to connect the consumer.
- 12. In summary, AEML-D submits that the instant case is identical to the case of Vital Developers and hence, in view of the Hon'ble Commission's rulings, Scenario assessment needs to be done first, by considering network spread of the two licensees and basis the same, the Licensee whose network is non-existent to begin with, should not be permitted to extend LT network from far away location as that would vitiate the scenario, allow duplication, burden consumers with much higher cost and is clearly violative of the principles of Order dated 12.06.2017.



In view of the above, we request the Hon'ble Committee to hold that the present application pertains to Scenario 53(a) and kindly allow AEML-D to proceed with laying the required infrastructure to provide connection to the Applicant.

This is without prejudice to our rights and contentions as per our Appeal No. 195 of 2017, against the Hon'ble MERC's Order dated 12.06.2017, in Case No. 182 of 2014.

Yours Sincerely,

Vivek Mishra

Additional Vice President, Business-Regulatory

Adani Electricity Mumbai Limited

Copy to:

Mr. Nilesh Kane, Tata Power Company Limited