

EXECUTIVE SUMMARY - CASE NO. 28 OF 2023

Petition for determination of Project Specific Tariff for supply of electricity generated from waste-to-energy project for Mira Bhaindar Municipal Corporation (MBMC) of cumulative capacity 575 kVA (3 x 125 kVA and 4 x 50 kVA) located in the area of Mira Bhaindar Municipal Corporation in Dist. Thane, under Regulation 9.1 and 10.2 of MERC (Terms and Conditions for Determination of Renewable Energy Tariff) Regulations, 2019 and Section 62(1)(a) and 86(1)(e) of the Electricity Act, 2003.

- a. The Petitioner, MBMC has approached the Hon'ble Commission with the Petition to seek determination of project specific tariff for supply of electricity generated from waste-to-energy project for Mira Bhaindar Municipal Corporation (MBMC) located in the area of Mira Bhaindar Municipal Corporation in Dist. Thane.
- b. MBMC, considering the growing need for waste management at city of Mira Bhaindar, decided to set up a processing and disposal plant for Municipal Solid Waste (MSW) at multiple locations on Build, Own, operate and transfer (BOOT) basis.
- c. In 2017, MBMC approached Government of Maharashtra (GoM) to set up biogas-based power generation project under Urban Development Mission Swachh Maharashtra Mission.
- d. In the month of October 2019, MBMC initiated competitive bidding process and floated the tender for Designing, Constructing and Commissioning of 20 MT capacity biogas-based power plants at 7 locations in MBMC area, including operations & maintenance for 5 years post commissioning of the plant.
- e. MBMC received four bids for setting up of waste to energy projects. From the four bids received, three were technically qualified for opening of the financial bid. From the three qualified bids, MBMC evaluated the technical and financial bids and selected the vendor based on e-bidding process. M/s. Guruji Infrastructure Pvt. Ltd.'s bid was approved on 15 February 2019.

- f. On 31st January 2019, MBMC received approval of State Government Grant support for Urban Municipal Solid Waste Management Project under URBAN mission. The GoM had approved financial grant support in addition to the Central Government's financial Grant support. The project cost of MSW based biogas to power generation project was estimated as 16.07 Cr at the time of submission of proposal to the Central Government and the State Government. From the estimated Rs. 16.07 Cr of project cost, the Central Govt. extended the Grant support of Rs. 5.62 Cr and the State Government extended the Grant support of Rs. 3.75 Cr. and the balance Rs. 6.69 Cr were the contribution of the MBMC. However, the actual project cost discovered through the e-bidding was found to be Rs. 27.86 Cr for setting up of 100 tonnes per day (TPD) biogas to power generation projects. After considering the subsidy, the Capital Contribution of MBMC is Rs 18.48 Cr. However, in consumer benefit, the Petitioner has considered only 50% i.e. 9.24 Cr of the aforementioned capex for the tariff purpose.
- g. The project cost for the 100 TPD waste to biogas-based power generation projects distributed across seven locations involves the process right from waste collection at site to the power generation from the generated biogas.
- h. With regards to plant connectivity, MBMC has already approached Adani Electricity Mumbai Ltd (AEML-D) and secured regular electricity supply connection for operationalization of waste to power generation unit. This is to be noted that Biomethanation requires stabilization period to generate the biogas and till such time, any generation from such biogas plant would remain unavailable. Once the unit achieve stability, the captive power will be generated and post captive needs, the surplus would be available for sale to the host distribution licensee.
- i. In light of the above, MBMC is filing a Petition before the Hon'ble Commission for determination of project specific tariff of Rs 7.66 per unit for 25 years for power generated from cumulative 100 TPD Municipal Solid Waste to power project for sale of power to AEML-D.