

## **EXECUTIVE SUMMARY - CASE NO. 59 OF 2024**

Petition for determination of Project Specific Tariff for Isapur Hydro Electric Project of capacity 4 MW (2 x 2 MW) located on Right Bank Canal of Isapur Dam at village Kadapdev, Tal Kalamnuri, Dist Hingoli, 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, Khare and Tarkunde Green Energy Pvt. Ltd. has approached this Hon'ble Commission with the instant Petition to seek determination of project specific tariff for supply of electricity generated from Isapur Hydro Electric Project, of capacity 4 MW (2 x 2 MW), located on Right Bank Canal (RBC) of Isapur Dam at Village Kadapdev, Taluka Kalamnuri, in District Hingoli. The project is expected to be commissioned within the next three to four months.
- b. Pursuant to the existing policy of the Government of Maharashtra of private-sector participation for the development of small Hydro Electric Projects (SHP) in Maharashtra, the Petitioner, with the goal of harnessing the renewable energy in the State of Maharashtra and promote clean energy, submitted a proposal and a Pre-Feasibility Report to Water Resources Department, Government of Maharashtra (GoMWRD) for developing the aforementioned SHP of 2 x 2000 kW capacity. After scrutiny, GoMWRD issued letter of permission, pursuant to which the Petitioner prepared and submitted the Techno-Economic Feasibility Report (TEFR).
- c. On 17 October 2016, GoMWRD approved the TEFR and allotted the site to the Petitioner to set up 2 x 1400 kW capacity SHP at the proposed site. Prompted by the anticipated increase in discharge in the RBC by 2023-24, and with the planned canal lining and repair work by the GoMWRD expected to further enhance the discharge capacity and flow, the Petitioner re-submitted a revised TEFR for the development of 2 x 2000 KW capacity SHP units at the proposed site. On review, GoMWRD determined that the scheme proposed by the Petitioner had the capacity to harness the available hydro power potential at the site effectively, and granted approval for the establishment of 2 x 2000 kW capacity SHP units. Subsequently, the Petitioner signed a Hydro Power Development Agreement (HPDA) with GoMWRD on 10 July 2023 for a period of 30 years.

- d. The construction of Isapur Dam across the Penganaga river near village Isapur, Taluka Kalamnuri was completed in 1982, and impounds 1279 million cubic meters of water. For Isapur SHP, the various civil works, including construction of irrigation-cum-power intake, machine foundation, power house structure, tail race channel, and diversion vent completed. All material of E&M including Turbine, generator, panels, allied controlling equipment, ODY equipment of Isapur HEP is also ready for dispatch. The survey and Investigation of 33 KV Line & Bay Work is complete, and vendor/contractor is finalized.
- e. Power generation from the proposed SHP is synchronized with the releases of water in the canal strictly as per Irrigation water demand, and the discharge release pattern/rotation is beyond the control of the Petitioner.
- f. The Petitioner has claimed capital cost as per Regulation 31 of the MERC RE Tariff Regulations, 2019, which is Rs. 1401.44 Lakhs as on 29th February 2024, and estimated Rs. 3644.17 as on expected CoD. Approximately 51% of the total project cost is allocated towards hard costs, with civil works and evacuation works constituting 32% and 7% of the expenditure, respectively. Additionally, 3% of the cost pertains to preliminary expenses such as government fees, while 4% covers miscellaneous expenses including staff salaries, vehicle maintenance, and consultancy fees. No direct expenditure is incurred regarding land, but provisions for land lease rent payment have been made in the Hydro Power Development Agreement (HPDA) at Rs. 1/kW/year, escalating by 5% annually from the date of Commercial Operation Date (CoD). Estimates for civil works are based on the Common Schedule of Rates for FY 2019-20 of the Water Resource Department, Government of Maharashtra, and a 5% physical contingency is incorporated to accommodate variations in estimated quantity.
- g. According to the TEFRR, evacuation of power from the project site is planned through a 33 KV line extending from the nearest Kalamnuri sub-station, located approximately 10 km away. Based on the application for grid connectivity to MSEDCL, after undertaking feasibility study, MSEDCL approved the grid connectivity for the project on 33 KV at 33/11 kV Lamandeo at Village Kadapdev, Taluka Kalamnuri, District Hingoli.
- h. The Petitioner's project generates green and renewable energy, and the purchases of power from this project promote the use of renewable energy and also meet Hydro

Purchase Obligations. The Petitioner has submitted a letter to Chief Engineer (RE), MSEDCL, with a proposal to sale of power from the proposed 4 MW power plant whereby the tariff will be determined by the Hon'ble Commission under Regulation 10.2 (b) of MERC (Terms and Conditions for Determination of Renewable Energy Tariff) Regulations, 2019 and requested to sign Energy Purchase Agreement. However, the Petitioner has not received a reply as on date of filing the Petition before the Hon'ble Commission.

- i. In light of the above, The Petitioner is filing a Petition before the Hon'ble Commission for determination of project specific tariff of Rs. 6.70 per unit for power generated from the 2 x 2000 kW Isapur Small Hydro Electric Project.